

***PUBLIC HEARING***

***MEETING***

*05/17/2016*

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*303-296-0017*

CASPER EVENTS CENTER, CASPER, WYOMING

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PUBLIC SCOPING MEETING FOR  
THE FEDERAL COAL PROGRAM  
PROGRAMMATIC ENVIRONMENTAL  
IMPACT STATEMENT

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TRANSCRIPT OF PROCEEDINGS of public scoping  
meeting for the federal coal program  
Programmatic Environmental Impact Statement,  
held at the Casper Events Center 1 Events  
Center Drive, Casper, Wyoming, on Tuesday,  
May 17, 2016, commencing at 10:00 a.m., and  
reported by Susan Edwards, RPR, CSR.

CASPER, WYOMING; MAY 17, 2016

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DAVID BATTS: Good morning. It's wonderful.

As soon as we can get folks to take their seats, we'll get started. I'd like to welcome everyone to our first public scoping meeting for the federal coal program programmatic environmental impact statement.

I know many of you have other things to do, other places to be. So we greatly appreciate your time to be with us today and to share your comments and input.

Before we get started, I'm going to go through quickly a few logistical items, and then we'll get into some formal welcoming remarks and get down into commenting.

So first of all, I want thank you again for being here, and I want you to just look around and recognize that we're going to have a lot of folks here today. We're going to have a lot of diverse opinions. We're going to have a lot of ideas, I hope, and I hope we are able to capture a lot of the good comments.

So please be respectful of those that are around you. Please make sure that you silence your cell phones. You're to free come and go. We know that you have other business that you need to attend to. But if you'd please keep that down and not interfere with your neighbors listening.

1 Any side bar conversations, if you could please take  
2 those outside also. This is a bit of an echoey chamber. So  
3 even though you might be having a quiet conversation, it does  
4 bounce off the cement, and it can be picked up.

5 If you need any restrooms, there are the main  
6 restrooms that you go out any of these doors and go to the  
7 left. There's men's and women's rooms up there.

8 You'll also notice that the concession stand is open.  
9 They're selling food if you get hungry. We also have  
10 complimentary iced tea directly behind the K doors here.

11 If you need an elevator, we do have an elevator  
12 that's off to the left. You access it off there, and you can  
13 come down over here, or we can bring you up this other way.

14 And if you have any other requests or need any  
15 special assistance, just look for somebody with a name tag,  
16 and we can make sure that we accommodate that for you.

17 If you want to provide verbal comments today, it's  
18 very important that you have a speaker card. So if you don't  
19 have a speaker card, we have a speaker table, again, just  
20 directly outside of door K here. Please grab one of those  
21 cards, and we'll talk more about those in a little bit. We'll  
22 need those to make sure that we can keep order of who is going  
23 to speak today.

24 Also just to let you know, this meeting is being  
25 live-streamed. So right now we are on the Internet. It's

1 being broadcast all around. So just so you know, you're  
2 providing your comments or anything else here may be broadcast  
3 on the Internet.

4 I know for a fact that we have at least one high  
5 school down in Lyons, Colorado, that's watching this as part  
6 of their school assignment. So that's going to be fun for  
7 them to be able to see part of its public at work.

8 In terms of the agenda, we do have a number of  
9 handouts at the handout station. Hopefully, you received an  
10 agenda. It's a very simple agenda today.

11 We're going to go through a few welcoming remarks.  
12 Then we're going to have a brief PowerPoint presentation on  
13 the coal program. Then we're going to have some comments from  
14 dignitaries, and then we will enter into the public speaking  
15 process.

16 Around one o'clock or so, we will take a 30-minute  
17 break. We recognize that others may have to tend to other  
18 business and will want to grab a quick bite for lunch. So we  
19 will have a 30-minute break around one o'clock, the best we  
20 can squeeze that in.

21 So that's pretty much the end of the dos, don'ts, and  
22 subtle logistics. So at this point, it's my pleasure to  
23 introduce Mary Jo Rugwell of the Wyoming state office. She's  
24 the BLM director.

25 Mary Jo.

1 MARY JO RUGWELL: If I can get this short enough for  
2 me, then I'll be in good shape here.

3 Good morning. As David said, I'm Mary Jo Rugwell.  
4 I'm the newly appointed Bureau of Land Management state  
5 director. I'm very glad that you came today. We are happy to  
6 be here.

7 We're also very fortunate today to have with us  
8 Senator Mike Enzi here in the front row and Tucker Fagan, who  
9 is the state director for Congressman Lummis, who is with us  
10 today as well, as well as Jillian Balow -- did I pronounce  
11 that right? -- our State Superintendent of Public Instruction.

12 We are looking forward also to Governor Mead, who is  
13 supposed to come later today, probably midday right around  
14 12:30-ish. So we look forward to that as well.

15 Public scoping is a really important part of this  
16 process, and your comments today will help us to be able to  
17 develop the alternatives that we'll analyze in the  
18 programmatic EIS for the federal coal program.

19 While we want to hear any thoughts and comments you  
20 have regarding the federal coal program, there are a few  
21 topics that would be especially helpful for us to hear from  
22 you today. Some of these are how, when, and where to lease  
23 federal coal.

24 How we should account for the environmental and  
25 public health impacts of the coal program? How to ensure that

1 the sale of these public resources can result in a fair return  
2 to the American taxpayers including whether current royalty  
3 rates should be adjusted, or are they okay as they are?

4 And, finally, should US coal exports factor into the  
5 leasing and other program decisions?

6 Again, I really appreciate you coming today. I know  
7 everyone has a lot on their plate, a lot to do, but it's  
8 really important that we hear what you have to say today.

9 So, first, I'm going to introduce Al Elser. Al is  
10 the deputy division chief for solid minerals from the Bureau  
11 of Land Management at the Washington office. Al was formerly  
12 our assistant district manager for coal right here in the  
13 Casper field office.

14 He will go ahead and give us an overview of the  
15 federal coal program, and that overview of will focus on the  
16 areas that we're hoping to hear from you specifically on today  
17 and throughout the rest of the comment period.

18 So Al.

19 AL ELSER: Thank you, Mary Jo.

20 So what I hope to present to you today is a brief  
21 introduction to the federal coal program and what BLM's role  
22 is within that program, bring us to what brought us here today  
23 and introduce the secretarial order and the notice of intent  
24 to prepare this programmatic environmental impact statement  
25 and then tee up some of the issues that we've specifically

1 identified in the notice of intent that we would really like  
2 to get your -- the public's feedback and comments on in  
3 addition to whatever else you think would be worthy for us to  
4 look at.

5           So just real quickly, the BLM is one of several  
6 agencies that have a role in managing the public coal  
7 resources. Our task is primarily related to leasing, and once  
8 a lease is issued and a mine has a permit and mining actually  
9 begins, then verifying that production from the mine.

10           So we do everything from accepting the application to  
11 lease and exploration licenses, all the NEPA national  
12 environmental policy work that's involved, and analyzing that,  
13 the fair market valuation, the lease issuance, and then that  
14 final production verification.

15           The Office of Surface Mining, Reclamation &  
16 Enforcement, OSM or OSMRE, their responsibility is mine  
17 permitting. They're the ones that permit the actual mining  
18 operations, and then as such, they're also tasked with  
19 monitoring the reclamation, ensuring that once mining is done  
20 and has moved on from that area, that coal companies are  
21 reclaiming those lands appropriately.

22           There's also the Office of Natural Resources Revenue,  
23 ONRR, that manages the royalty collection and disbursement.  
24 And then mine safety and health administration, they develop  
25 and enforce the safety and health rules for US mines.



1           So brief coal program statistics, some of this may be  
2 familiar to you if you attended the listening sessions. This  
3 is some updated information going through the end of 2015.

4           At the end of last year, BLM administered 306 coal  
5 leases across the nation. Most of them are out here in the  
6 West. And over the last decade, BLM managed public lands and  
7 produced approximately 4 billion tons of coal worth over  
8 \$63 billion. And that production generated almost \$7 billion  
9 in royalty revenue and almost \$4 billion in rents, bonuses,  
10 and other payments. During that same time frame, we held  
11 32 coal lease sales.

12           Now, last year coal accounted for approximately one  
13 third of the nation's electricity production. 43 percent of  
14 that or so came from BLM managed public resource coal, and  
15 about 88 percent of that came from right here in the Powder  
16 River Basin of Wyoming and Montana.

17           That kind of brings us to this slide, and I apologize  
18 that it's not quite as visible as I'd hoped. I hope we can  
19 all recognize that it's the continental U.S., and there in the  
20 red circle is where the majority of federally produced coal  
21 comes from, the states of Montana, North and South Dakota,  
22 Wyoming, Colorado, Utah, New Mexico.

23           Those are the primary states that are producing  
24 federal coal, and it's important to note that the BLM manages  
25 about 30 percent of the public -- of mineral resource in the

1 U.S. Most of those resources, as far as those publically  
2 managed resources, are out here in the West. There's not a  
3 lot of mineral, public minerals out east, but we do have  
4 several leases that are associated with some of those eastern  
5 mines.

6 So what brought us here today? Last summer many of  
7 you may recall, we held a series of listening sessions across  
8 the United States, where we asked for the public comments on  
9 how to best modernize the federal coal program.

10 We received a lot of really good comments from that,  
11 and in January of this year, the Department of Interior  
12 Secretary Sally Jewell issued an order that directed the BLM  
13 to undertake this programmatic environmental impact statement  
14 or PEIS. And last month we published the notice of intent to  
15 prepare the PEIS, and in it we identified about seven general  
16 topics that we'd really like to get your input on.

17 So I'm going to go over each one of those a little  
18 bit here today, but it's important to note that this is not a  
19 full set. This is not all-encompassing of what we would like  
20 to hear from you on.

21 The full set of topics we're going to address in the  
22 PEIS is going to come out of this time period, out of the  
23 scoping meetings, out of the comments that you send to us  
24 during this scoping period which will end about 30-day after  
25 the last meeting which will be held in Pittsburgh.

1           So we really encourage you to get us your comments on  
2 all of these issues and anything else that you think we need  
3 to be appropriately looking at in the PEIS.

4           So the first question is how, when, and where to  
5 lease? Questions like should we be holding scheduled lease  
6 sales? If you look at the oil and gas programs for the  
7 bureau, we hold regularly scheduled lease sales. Is that  
8 something we should be considering with coal?

9           Should we be considering market conditions? In other  
10 words, holding those coal lease sales during times of the up  
11 market where the fair market valuation may be higher and the  
12 return to the public from the bonus bids would in turn also be  
13 higher.

14           What should the BLM do as far as looking at where and  
15 where not to lease consistent with the landscape level-view  
16 approach?

17           And do our unsuitability criteria that we're using to  
18 screen out those lands that we feel are not appropriate for  
19 future consideration of the coal leasing, are those doing an  
20 adequate job to address the question of where to or not to  
21 lease?

22           Fair return, this is another topic that we'd really  
23 like to your substantive input on. Are the bonus bids, the  
24 rents and royalties, those three streams of revenue that come  
25 into the government from the coal program, are those

1 successfully securing a fair return to the American public on  
2 this public resource? How should these components be  
3 calculated? And should externalities be considered as part of  
4 that fair return calculation? If so, what and how would we go  
5 about doing that?

6 Climate impacts. This is another topic that we would  
7 really like to get your input on. How do we best measure and  
8 even assess the climate impacts of continued federal coal  
9 production and transportation and combustion in our coal  
10 program?

11 What are some potential substitution effects on  
12 changes that we make to our federal coal production as a  
13 result? How do best ensure that no unnecessary or undue  
14 degradation due to climate change impacts?

15 How do we mitigate? How does the federal coal  
16 program relate to the nation's climate objectives as well as  
17 energy and security needs?

18 And of course, there are other impacts to water  
19 resources, soil, air quality, wildlife, other land uses. Are  
20 impacts to mining and combustion of federal coal adequately  
21 mitigated for those resources? Should standard mitigation at  
22 the programmatic level be considered in addition to the  
23 project-by-project level that we currently do?

24 And, of course, socioeconomic considerations are an  
25 important aspect of the federal coal program, and one of the

1 questions we have for you is does the current program  
2 adequately account for the externalities related to federal  
3 coal production including environmental and social impacts?

4 How does our program affect state and regional and  
5 the national economies, the local economies including job  
6 markets and energy markets in general?

7 What is the impact of possible program alternatives,  
8 some of the alternatives that might be developed in this PEIS  
9 that you might see on the fuel mix and the cost of electricity  
10 for the U.S.?

11 Exports, this is another important question that we  
12 we'd really like some feedback on. We do currently account  
13 for exports in the fair market valuation of coal tracts when  
14 we take them to the lease sale, but should we be looking at  
15 other parts of our leasing decisions when it comes to  
16 considering exports and potential or current exports? And  
17 what potential mechanisms could we use to adequately or  
18 appropriately evaluate future export potential?

19 So you can't talk about coal without talking about  
20 energy needs. The vast majority of coal is mined for  
21 electrical production. How does our federal coal program  
22 support fulfilling those energy needs that we're going to have  
23 in the United States for future generations to come?

24 How does our program impact electricity generation in  
25 the United States, particularly in light of some of the other

1 regulatory influences that are out there right now?

2 Finally, what other sources of energy supply  
3 including increasing efficiency are projected to be available?

4 So these are all questions that we would really like  
5 to get the public input on to help us focus the scope of this  
6 PEIS.

7 So on that note, I'm going to turn it back over to  
8 Mary Jo Rugwell, our state director here in Wyoming. She has  
9 some introductions to do before we get started taking your  
10 comments. So thank you.

11 MARY JO RUGWELL: It's a pleasure to introduce the  
12 senior senator from the State of Wyoming, Senator Mike Enzi.

13 (Applause.)

14 SENATOR MIKE ENZI: Thank you. And thank you all for  
15 coming.

16 With that introduction, I want to welcome you to  
17 Wyoming. You're here in the state that provides most of the  
18 energy for this nation. You're in the state that's been  
19 devastated by recent policies, and you're now considering more  
20 damage.

21 Hundreds have been laid off at the coal mines, and  
22 that results in thousands being laid off on the railroad.  
23 That impact also affects the associated businesses and then  
24 spreads to the regular services and then stores and then  
25 restaurants and then construction. And it costs jobs for

1 those employees too.

2 It's time to take the foot off the gas pedal of  
3 economic destruction. It's time to apply the brake of common  
4 sense. No economy stands by itself. This economy has an  
5 effect on our nation as a whole.

6 I want to start by thanking all of the concerned  
7 citizens, members of the Wyoming state legislature and the  
8 representatives of coal companies who are here today. The  
9 purpose of these public meetings is to provide the Bureau of  
10 Land Management with information that will help shape the  
11 future decisions about this public resource, federal coal.

12 We're here to talk about whether Americans are  
13 receiving a fair return on federal coal, to examine how market  
14 conditions affect the coal industry, to study the  
15 environmental impact of the federal coal program, and,  
16 finally, to be reminded of all the critical ways that coal  
17 supports and provides for families and communities here in  
18 Wyoming. That's a lot to discuss.

19 But there's nobody better suited, nobody who knows  
20 coal better than the people here in this building today. So I  
21 want to thank everyone here for coming and for taking the time  
22 from your jobs and your lives to come and share your stories  
23 and expertise with the BLM and with one another.

24 I want to thank the Department of Interior and the  
25 BLM for holding the public meeting here in Casper. This is an

1 appropriate place for a discussion of such importance.

2 Wyoming is the largest coal-producing state in the nation,  
3 producing 40 percent of America's coal and approximately  
4 85 percent of all the coal on federal lands.

5 Now, the federal government has known the value of  
6 coal for over a century because when homesteading was going  
7 on, they said coal will be valuable, coal belongs to the  
8 United States, even coal that wound up under homesteaded land.

9 And they've been mining clean coal here. The value  
10 of that's been recognized. That's why we ship to so many  
11 states. To get the true sense of the importance of the  
12 federal coal program to the state, I think the Interior and  
13 BLM need to visit additional communities and speak with all  
14 the people whose families, schools, communities and livelihood  
15 depend on coal.

16 (Applause.)

17 Along with my colleague John Barrasso and Cynthia  
18 Lummis, I have asked the BLM to hold additional meetings in  
19 and Gillette and Rock Springs because they're on a little  
20 different topic than we did last year. Governor Mead has also  
21 made this request, and I ask the BLM again here today, please  
22 demonstrate that you haven't already determined the results of  
23 this study and arrange those additional meetings.

24 (Applause.)

25 The legitimacy of this programmatic review, this



1 multi-year effort that will cost millions and potentially  
2 disrupt many aspects of the coal industry depends on the  
3 diligence and sincerity of this process.

4 To truly examine this program, you simply must go to  
5 the communities it impacts the most. So we're all here  
6 because coal supports Wyoming, and Wyoming supports coal.

7 (Applause.)

8 Wyoming supports federal coal because we know the  
9 value of this program. Last summer many of the people here  
10 today went to similar sessions in Gillette, where the BLM was  
11 seeking information to determine whether the American  
12 taxpayers receive a fair return on their federal coal  
13 resources.

14 I argued then that American taxpayers are already  
15 receiving more than a fair return on their coal resources.  
16 Many others there made the same argument. I stand by that  
17 sentiment because the facts prove it.

18 This program, which began in 1920, has been a  
19 tremendously successful way to provide affordable energy for  
20 the nation, provide jobs in places like the Powder River Basin  
21 where 85 percent of all federal coal is mined and provide  
22 value to the government.

23 According to the BLM, the federal coal leasing  
24 program has generated well over a thousand million dollars a  
25 year for the last ten years, 7,900 million in royalties, and

1 nearly 4,000 million in rents, bonus bid payments, and other  
2 fees.

3 Again, that's money coal leasing earns for the  
4 federal government, a stark contrast to most federal programs.  
5 Most cost us money.

6 The program also produced over 5,000 million tons of  
7 coal. That's a lot of base load, and when companies go to  
8 sell federal coal produced in the Powder River Basin, an  
9 average of 40 percent of the sales price already goes to taxes  
10 and fees. Again, taxpayers are already getting a big return  
11 on no investment.

12 But the program's value goes well beyond just the  
13 money and energy generated every year. The value of this  
14 program for Wyoming communities is evident. I was the mayor  
15 of Gillette in the 1970s when coal production in the Powder  
16 River Basin began and really took off. I carefully read the  
17 environmental impact statements prepared for some of the  
18 original mines. I may have read more environmental impact  
19 statements than anyone else.

20 While I couldn't have predicted all of the awards  
21 coal mines would earn for their tremendous reclamation efforts  
22 in Wyoming, I knew that --

23 (Applause.)

24 -- I knew that stewardship and respect for the land  
25 would govern the approach that would be taken for mining in

1     this state.

2             As mayor, I was part of a team that carefully  
3     negotiated with coal companies because we wanted to ensure  
4     that Gillette would be the kind of place that people would to  
5     live and raise their kids. I know Wyoming communities like  
6     Douglas, Wright, and Newcastle opened their doors to the  
7     companies and employees who came to mine federal coal in  
8     exactly the same way.

9             People started moving to those communities to get  
10    jobs in the coal fields, great paying jobs that in 2014 paid  
11    an average of \$84,000 annually. I would remind you that the  
12    federal government gets taxes off of that \$84,000 from each of  
13    those people. That's a lot of money in Wyoming.

14            Other jobs followed. Contractors who supported the  
15    coal industry as machine operators or maintainers and railroad  
16    employees who worked to deliver coal from the mines to the  
17    utilities and people like Sarah, a constituent from Newcastle,  
18    who wrote me a couple weeks ago.

19            Sarah and her husband started a carpet and flooring  
20    store there and have been successfully managing it for over  
21    three decades. Now with the downturns in the coal market,  
22    she's worried that it may mean the end of the business she's  
23    devoted her life to creating.

24            All these folks are working jobs that are created by  
25    federal coal or are supported by coal. They all pay taxes to

1 the federal government. That's additional revenue to the  
2 federal government generated by this program.

3 (Applause.)

4 People moved to the Powder River Basin for jobs, but  
5 they stayed because they liked what they found when they got  
6 there. They sent their kids to great schools, schools funded  
7 largely by the taxes, royalties, and fees that the coal  
8 industry pays to the State of Wyoming.

9 In 2014 alone, coal companies paid over 1,140 million  
10 to Wyoming in taxes, royalties, and other revenue. That's  
11 money used for schools, roads, and community colleges across  
12 the State. They found great neighbors there too. Wyoming has  
13 long relied on coal and other minerals we are so blessed to  
14 have in great quantities.

15 Wyoming has always known the value of these  
16 resources. They came from the same land where people love to  
17 hunt, fish, and camp. We know how precious this land is, and  
18 we treat it accordingly. Unfortunately, that message has been  
19 lost on the folks in Washington and particularly on this  
20 administration, which has continuously hit this industry with  
21 regulations meant to cripple it.

22 We must continue to fight that effort. Many folks in  
23 Wyoming who produce and use coal have reached out to me.  
24 They've shared their stories about how this administration's  
25 regulation has impacted them. I've shared many of their

1 stories with my fellow senators, and I will continue to do so.

2 Today is the chance for the administration to learn  
3 just how much Wyoming values coal and how much the nation  
4 should. I hope that you'll take the time today to really  
5 listen to everyone here and learn that instead of running from  
6 coal, America needs to run on coal.

7 (Applause.)

8 My colleague Senator Barrasso and Representative  
9 Lummis can't be here today, and as we have several votes, so I  
10 would like to submit statements from them for the record.  
11 They also asked me to share a few of them.

12 Senator Barrasso says:

13 "The production of federal coal has allowed  
14 thousands of people to achieve the American  
15 dream. Coal production has provided a level of  
16 financial security that's unavailable to most  
17 areas of the country.

18 "Any proposal to increase royalty rates on  
19 or restrict the export of federal coal will put  
20 all of this at risk. Such proposals will only  
21 add to the pain that President Obama has already  
22 inflicted upon coal-producing communities.

23 "Instead, BLM should identify ways that  
24 would help boost the production of federal coal.  
25 The people of Wyoming are hurting, and they want

1 to get back to work."

2 And Representative Lummis adds:

3 "America should take a global leadership role on  
4 coal, producing American energy and the means to  
5 use it cleanly and safely, not pretending that  
6 the global demand for coal doesn't exist.

7 "If we forfeit global leadership towards  
8 clean coal, we will hamstring our economy while  
9 other nations meet their coal needs elsewhere  
10 and without the same level of environmental  
11 stewardship."

12 (Applause.)

13 Thanks for coming to Wyoming today and allowing me to  
14 share these messages.

15 MARY JO RUGWELL: Now on behalf of Congressman  
16 Lummis, I would call the State Director Tucker Fagan to the  
17 mic.

18 (Applause.)

19 TUCKER FAGAN: Thank you, Mary Jo, and Senator Enzi  
20 for bringing Representative Lummis's comments here today, and  
21 I'll submit a letter on her behalf.

22 On my behalf, I want to thank Mary Jo and her staff.  
23 I've worked with them for many, many years. I know they're  
24 knowledgeable, dedicated employees that know their job is to  
25 maximize the return on leasing.

1           This is important to understand they're professionals  
2   in the Wyoming BLM appraisal office -- geologists, economists,  
3   engineers, accountants, et cetera. They have college degrees  
4   and many years of experience. They study and learn from every  
5   parcel that is put out for bid.

6           Think about this. There are three outcomes to the  
7   bid process.

8           One, if the energy companies bid below the appraised  
9   value, the bid is rejected. The other two possible results  
10   are the bid hits the appraisal exactly.

11          Second, the bid is higher than the BLM appraisal. I  
12   have asked BLM professionals if the bid has ever been exactly  
13   on the appraised value. The answer is never. Never on the  
14   appraised value. So what does that mean? It's always higher.

15          So the American taxpayers are getting better than the  
16   expected return on the lease. So why have Secretary Jewell  
17   and Director Kornze put a moratorium in place?

18          They in Washington think they know more than the  
19   professionals in Wyoming and other state BLM offices. Jewell  
20   and Kornze don't trust the professionals who have been doing  
21   it for decades. What kind of leadership is that?

22          And just think of those people sitting around a  
23   conference table in Washington. "Well, boss, we need to put  
24   those in the state offices into reeducation camp. Do we  
25   reeducate them for two months, three months, a year?"

1           "Wow, this is a tough one. It's going to take three  
2 years to reeducate them."

3           I just can't imagine that discussion, when they  
4 already know their job is to maximize the value of the coal  
5 for the American taxpayer.

6           (Applause.)

7           They need us to support leadership. If you're a  
8 young professional working for the BLM in any sense, then go  
9 where leadership values and protects their employees. If  
10 they've got many years on the job, they'll withdraw.

11          I worked in the Pentagon many years. I've seen it  
12 happen. People step back and say, "Three more years to  
13 retirement." This is what we will get with this kind of  
14 policy.

15          So, Mary Jo, I really value what you've done in your  
16 stead. I know they're honest, decent people.

17          The people in Washington who came up with the  
18 moratorium, are they hear to listen? They didn't listen in  
19 Gillette. They're still going forward with it.

20          Who is here? Not here? The Secretary, the Director.  
21 The people who are here are the ones that they've lost faith  
22 in. This is a brave new world perpetrated by this  
23 administration and the Department of the Interior.

24          So, again, thanks to the Wyoming BLM employees. I  
25 know you know your jobs, and I know they're doing the right



1     thing.  Thank you very much.

2                 (Applause.)

3                 MARY JO RUGWELL:  Thank you, Tucker.

4                 Now, I'd like to call to the mic our State  
5     Superintendent of Public Instruction Jillian Balow.

6                 (Applause.)

7                 JILLIAN BALOW:  Thank you to the BLM, to the  
8     Department of the Interior, thank you to all of the Wyoming  
9     citizens who are here today, who are my neighbors, my friends,  
10    my high school classmates.  Thank you for allowing me to serve  
11    you as the State Superintendent, and thank you for standing  
12    shoulder to shoulder in favor of our past, our present, and  
13    our future in Wyoming.

14                As State Superintendent, I'm one of five officials  
15    who sits on the State Board of Land Commissioners as well as  
16    the State Loan and Investment Board.  And as State  
17    Superintendent, I work a 100 percent of the time advocating  
18    for our schools, for our educators, for our students, and for  
19    families across the State.

20                I'll be brief with my comments.

21                I choose to be here today because I grew up in coal  
22    country.  My father was a dentist.  My mother was a nurse in  
23    Campbell County.  My father served the mining community for  
24    over 30 years.  Miners, again, were my friends, my neighbors,  
25    my classmates, tied to every aspect of my upbringing and of my

1 community.

2 Mining has been our past, our present, and we would  
3 like for it to be our future even if looks different. We  
4 stand together today to ask you for a slower pace, for a  
5 chance to innovate without the heavy hand that is coming down  
6 on us every day and devastating our state.

7 (Applause.)

8 Coal is the main revenue source for school capital  
9 construction. In fact, the lease bonuses have paid for new  
10 school buildings and major maintenance in our state since  
11 2003. Even the smallest communities in our state have  
12 excellent facilities and equitable opportunities for students  
13 to succeed because of coal lease bonuses.

14 Since 2003 our state has spent over \$3.2 billion on  
15 school facilities. We've built 74 new schools, and we've  
16 modernized an additional 35. This was paid for almost  
17 entirely with coal lease bonus money.

18 Recently, Wyoming was ranked eighth in the nation and  
19 best in the West for quality of education. The quality of our  
20 education could not be as high as it is without the mining  
21 revenue and because of our way of life that the mining  
22 industry has carved out for us in Wyoming.

23 Mining has allowed Wyoming to pay higher wages for  
24 our teachers and to our para-professionals in schools. It's  
25 allowed us to pay 100 percent of our education costs, special

1 education costs, 100 percent of our school transportation  
2 costs, and 100 percent of our school construction since 2003.

3 Now, realize in other rural states, funding of these  
4 activities, funding these items is difficult at best. Schools  
5 in small communities have closed. Small communities have  
6 dried up and withered away. Rural states have struggled to  
7 provide a quality education to students, but because of coal,  
8 Wyoming has ensured opportunities for students all across our  
9 state and especially in our smallest communities like other  
10 states have not been able.

11 We have reached a point where the restrictions and  
12 the regulations have outpaced any opportunity for us, for the  
13 industry to continue to work and adapt, and it has directly  
14 put thousands of hard-working families out of work. It is  
15 bankrupting our state, and it doesn't need to happen that way.

16 I respectfully ask you to slow down the stifling  
17 regulatory effort, to lift the moratoriums that are in place  
18 on coal production and mining and to give us the chance to  
19 continue to grow and to adapt to the industry at a reasonable  
20 pace and a reasonable rate as we have done for years in  
21 response to the increasing scrutiny and the increasing demands  
22 of the industry and of our world.

23 Thank you so much for this opportunity to stand  
24 shoulder to shoulder with the State of Wyoming.

25 (Applause.)

1           MARY JO RUGWELL: Again, I want to thank Senator  
2   Enzi, Tucker Fagan, and Jillian Balow for speaking. And I  
3   will now turn it back over to our facilitator so that we can  
4   start with the public comment period. Thank you.

5           DAVID BATTS: Thank you, Mary Jo.

6           Okay. So we're going to move into the public comment  
7   part of the meeting, and I want to go through just a few  
8   things real quickly.

9           First of all, I'm going to introduce myself. My name  
10   is David Batts. I'm going to be here with you for the next  
11   six hours walking us through the comment process. I am with a  
12   consulting firm call EMPSi, and I have a very simple job here  
13   today, and my job is one thing. That is to make sure that  
14   your voices are heard.

15          We want to make sure that your voices get captured  
16   and your comments are recorded. Over to my left is Susan, and  
17   she is our court reporter. So she's taking down everything  
18   that's spoken today and will provide a transcript to us.

19          We also, as I mentioned before, have the live  
20   streaming going on. So it is being broadcast and will be  
21   recorded in that manner also. And we'll talk a little bit  
22   more about that in a moment.

23          I also encourage each and every one of you to submit  
24   written comments. Just directly outside, we have a table that  
25   has comment cards. You're welcome to take one of those cards,

1 fill it out, leave it with us today. You can take it home,  
2 fill it out, and mail it in. And, of course, you can submit  
3 your comments via e-mail.

4 To be the most helpful in the process, it would be  
5 appreciated if we can receive your comments by July 28th. In  
6 the notice of intent, we noted that the comments will be  
7 accepted for 30 days after the last meeting. Our Pittsburgh  
8 meeting was rescheduled. It's now going to be held June 28th.  
9 So 30 days after that is going to July 30th -- or 28th, excuse  
10 me. So if you'd get your comments in by then, we would  
11 appreciate it.

12 I want to make sure we run this meeting today in a  
13 inclusive and civil manner. So, again, if you could please  
14 respect your neighbors. If we could withhold clapping or  
15 cheering and let everybody say their piece. Again, if you  
16 have any special requests, please let me know.

17 Again, this is a scoping meeting for the federal coal  
18 program programmatic environmental impact statement. So those  
19 are some valuating terms, and scoping is defined under the  
20 National Environmental Policy Act, which is what guides the  
21 preparation of this environmental impact statement.

22 And scoping is simply this. It's an early and open  
23 process for identifying actions, impacts, issues, and  
24 alternatives to be addressed in that environmental impact  
25 statement.

1           When we say the word "programmatic," what we're  
2     implying there is we're looking at a program. So maybe many  
3     of you are familiar with those EISs that the Senator alluded  
4     to. Those tend to be site-specific. So when a coal mine  
5     proposes to do a lease or operations, they might prepare an  
6     environmental impact statement on that specific operation.

7           Programmatic is much more open-ended. And that's  
8     what we are addressing with this document. Again, the  
9     programmatic EIS will help identify and evaluate potential  
10    reforms to the federal coal program.

11           Now, while the format of the meeting is similar to  
12    the listening session, it is different in a few important  
13    ways. Again, the purpose of the meeting is to help define the  
14    scope and inform the analysis of the environmental impact  
15    statement. So no decisions are going to come out of this  
16    meeting. It's purely an informative meeting to collect the  
17    data and information.

18           All comments count equally. So if we hear one  
19    comment, it's going to count the same as if we hear it a  
20    hundred times. What we're trying to do is frame that  
21    reference of what do we need to make sure gets assessed in  
22    that environmental impact statement.

23           All input received during the scoping period will be  
24    reviewed, and it will be analyzed, and it will be compiled and  
25    put into a public scoping report. This is a report that will

1 summarize everything -- all the actions we did, where we went,  
2 what we heard, and what the public was saying. And that  
3 public report will be -- excuse me -- that scoping report will  
4 be publicly available, and it will be available this fall.

5 So just a few rules on how we're going to proceed  
6 with the speaking process. Again, we have our speaker cards  
7 that are handed out on a first-come/first-serve basis. If at  
8 any point in time, you decide you would like to speak, just  
9 please go ahead and go on up and grab a speaking card.

10 Please be sure you fill out that card with your name  
11 and organization. This way we can make sure the record  
12 adequately captures who you are and if you're representing  
13 anybody.

14 On the speaker card, there's a number on the upper  
15 right-hand side. It's numbered sequentially 1 on up to  
16 probably 500. We'll call down the speakers in groups of five  
17 based off the numbers of the speaker cards.

18 If you cannot come down to the microphone here and  
19 your number's called, if you'd just raise your hand or let us  
20 know. We'll make sure we have a wireless mic brought up to  
21 you so you don't have to move from your position.

22 We do request that you be present when your number's  
23 called, and when you do come up, we request that you speak  
24 very clearly into the microphone. Again, the live-stream, we  
25 want to make sure that the audio feed can capture your

1     comments appropriately.

2             When you begin your comments, if you please state  
3     your name -- first name, last name, and any organization for  
4     the record. Again Susan will record that.

5             You will have three minutes to provide your comments.  
6     We have this little handy countdown to help you recognize when  
7     three minutes is up. Obviously, if you go over a little bit,  
8     I'm not going to jump up and whoop and holler. But I do  
9     request that you could please be respectful of your neighbors.  
10    That's why we have a limit to make sure we get through as many  
11    folks as we can by four o'clock today.

12            You'll notice that we have numbers down here by the  
13    microphones. Microphone No. 1 is over to my left, your right.  
14    Microphone No. 2 is over here to your left. So when we call  
15    down group numbers, I will direct you to a particular  
16    microphone, and if you could please sit down in one of those  
17    seats.

18            We have two facilitators down there that will collect  
19    your cards, and if you have any questions, they're happy to  
20    answer those, and they will help you adjust the microphone and  
21    start your comments.

22            So a few last things to note. We will accommodate as  
23    many speakers as time allows, and, again, just because you  
24    have a card, we can't guarantee that everybody will speak, but  
25    we certainly are going to try our best to do that. And,



1 again, if you don't speak, I strongly encourage you to submit  
2 your written comments.

3 We ask that you don't pool your time among speakers,  
4 and if you have any written comments that you're speaking  
5 from, if you'd like to submit those as part of the record, we  
6 do have a comment box at one of our tables. And you can go  
7 ahead and submit those directly into that box.

8 Lastly, I'm going to leave you with just a couple  
9 thoughts on what are helpful comments to those that will be  
10 preparing the environmental impact statement.

11 Helpful comments are really those that provide data  
12 and information sources. So if you're aware of really useful  
13 data or information, please refer us where we can go to  
14 collect that information.

15 Those comments that articulate specific concerns or  
16 issues that you want to make sure are addressed in the  
17 environmental impact statement, those should be brought up  
18 also.

19 Voting type of comments, yes-no type of comments,  
20 you're welcome to make those, but those don't help inform the  
21 environmental impact statement process as much.

22 And then, lastly, in the interest of time, there's no  
23 need to reiterate comments that have been made. You're  
24 welcome to, but if you want to, you can just refer back to  
25 another speaker and say, "I support what this speaker said,"

1 and that will captured on the record.

2 So with that, that's kind of the dos and don'ts of  
3 the speaking process, and what I'd like to do is begin the  
4 process by calling down our first two groups.

5 So we're going to have the groups 1 through 5 come  
6 down here to microphone number one. We'll give you a few  
7 moments to get organized. And then group 6 through 10 can  
8 come down to here to microphone number two. So please come on  
9 down.

10 And while they're making their way down, I'll further  
11 explain this process. I'm seeing movement in action. Once  
12 they're done, I will call down group 11 through 15, and they  
13 will come down to microphone number one.

14 As they're coming down, microphone number two will be  
15 speaking. Once they wrap up, we'll call down group 16 through  
16 20. You'll see the pattern forming, and I bet within  
17 30 minutes, you guys will be anticipating what to do and my  
18 job will be easy.

19 If we don't have a -- if we have a missing number, we  
20 will call out that number one time just to make sure we didn't  
21 overlook somebody in the audience and to ensure that we try to  
22 capture everybody as we move forward.

23 I will start the timer once you begin speaking, and,  
24 again, we'll reset that for every speaker. When you're done  
25 speaking, you're welcome to just go ahead and vacate and go

1 back up to your chair. You don't need to sit down here  
2 although you're welcome to sit down right here too.

3 When you come down, if you would please just hand  
4 your card to our attendant, they will make sure that we get  
5 you registered.

6 So we're going to start with number one. Again, if  
7 you would please state your first name, last name and any  
8 organization, and thank you for being here.

9 MICROPHONE NUMBER ONE: (Duane Keowa.)

10 Thank you very much for the opportunity. I'm  
11 representing myself and Powder River Basin Resource Council  
12 and the Sierra Club. I'm a retired professor of science  
13 education at the University of Wyoming, 41 years in the  
14 Wyoming.

15 Good planets are really hard to find as you all know.  
16 Ours is a good planet with surface temperatures of 57 degrees  
17 Fahrenheit, different kinds of wildlife, wild plants. Fruit  
18 crops depend on relatively narrow ranges of stable  
19 temperatures.

20 The pika is the smallest member of the rabbit family  
21 that has adapted to live in the mountainous areas of the  
22 Rockies, Sierra Club [sic], the Cascades, and they rarely get  
23 above freezing in those areas.

24 When it's exposed to a mild 78 degrees, they can  
25 sometimes die. Once they move upslope to reach the top and

1 find the temperature is too warm, the pika has no place to go.  
2 In fact, they've already disappeared from over one third of  
3 the range.

4 Insects are vitally important. Some carry and are  
5 vectors of disease, but they also pollinate plants, and they  
6 have great economic impact on crops. They're particularly  
7 sensitive to climate change. As invertebrates, they can't  
8 regulate their body temperature.

9 Almost 80 percent of the world's crop plants require  
10 pollination. And the annual value of insect pollination to  
11 crops in the U.S. alone is 20 million. What's more, most of  
12 the kinds of living organisms on earth are insects.

13 Since the beginning of the Industrial Revolution, we  
14 have continually increased our ability to extract coal and put  
15 more CO2 into the atmosphere. Wyoming leads all states and  
16 most nations for its coal contribution to increasing CO2. No  
17 state except for Wyoming has ever produced more than 200  
18 million tons of coal in a year.

19 Best peak for Wyoming was in 2008 when it produced  
20 462 million tons of coal. It was shipped out of this state.  
21 In less abstract terms, in 100 ton coal cars, that's 46,000  
22 miles of coal or enough coal to reach around the earth nearly  
23 two times at the equator.

24 Most of the 462 million tons of coal, Wyoming coal of  
25 2008 is now in the atmosphere as CO2. Where is Wyoming in

1 relation to cooling the temperature? 41 percent of U.S. coal  
2 comes from the federal land, and 75 percent of it comes from  
3 just Wyoming.

4 At the Paris climate conference in December of 2015,  
5 195 countries came together, and they adopted the first ever  
6 universal, legally-binding global climate agreement. Success  
7 in cooling the climate of the planet can only happen by  
8 cooperating nations.

9 Wyoming with the federal government, in particular  
10 the BLM, has a huge role to play. To even consider -- I'm  
11 just about finished. Should we even consider leasing more  
12 federal land for coal production?

13 From fossil fuel burning, global concentration of CO2  
14 in the air has gone from 280 parts per million in the mid 18th  
15 century -- that's the beginning of the Industrial  
16 Revolution -- to 402 parts per million in 2006 -- '16, only  
17 200 years.

18 The argument goes that Earth has these natural  
19 heating and cooling cycles. Yes, it does, but they happen in  
20 hundreds of thousands of years or millions of year, not 200  
21 years.

22 Life has to have time to adjust. The pika and  
23 pollinators of food crops do not have the luxury, nor do we.

24 DAVID BATTS: Thank you.

25 MICROPHONE NUMBER ONE: Good morning. I'm Bob

1 Laresche. I have a ranch between Gillette and Sheridan. I'm  
2 chair of the Powder River Basin Resource Council. We will be  
3 submitting voluminous suggestions for scoping on the 28th.

4 Federal action has long benefitted coal production in  
5 all our western states. SMCRA, long strip mining of vast  
6 acreages, and federal environmental regulations, ironically,  
7 raise the value of the West's low sulphur federal coal  
8 creating the Powder River Basin industry and leading to jobs,  
9 in-migration, new citizens, and vital cities.

10 Interior has sold billion of tons of publicly owned  
11 coal at low prices in its quest for domestic energy security.  
12 But flaws in this leasing system, management failings by both  
13 the companies and the government and evolving markets have led  
14 to today's dysfunction, a system controlled by huge outside  
15 corporations unable to respond to market changes.

16 The leasing system needs fixing, and a down market is  
17 the perfect time to fix it. I want to hit four high points.

18 First, 40 years of leasing and management have  
19 created thousands of jobs, thriving communities, and deep  
20 state revenue dependence on coal mining. Both state and  
21 federal governments have created moral obligations to provide  
22 a just transition to the new economic future.

23 Pensions, healthcare, other benefits earned over the  
24 decades must not be voided. Economic diversification  
25 initiatives must be created and underwritten. Interior can't

1 do this alone. The federal government can't do this alone.  
2 States like Wyoming must participate.

3 Second, the leasing system must be modernized and  
4 simplified to fit new market realities. Interior must take  
5 control of the leasing program that reflects markets, both  
6 supply and demand, and must retire the present lessee-driven  
7 system.

8 Third, reclamation requirements must be completely  
9 revised and rigidly enforced so that water and land quickly  
10 are returned to their original best uses truly  
11 contemporaneously with mining.

12 Self-bonding, which removes all incentive for timely  
13 reclamation and puts taxpayers at risk when corporations file  
14 bankruptcy, must be totally eliminated.

15 Finally, Interior must reassess the fair return on  
16 the nation coal. What is the fair return to the miners, to  
17 the communities and states? What is the fair return to the  
18 American citizens who own the coal? And what is the fair  
19 return to the corporations who lease the right to extract and  
20 sell it?

21 There must be new means of assuring competition in  
22 bidding, transparent lease valuation, transparent royalty  
23 collections stripped of loopholes and unaudited  
24 self-reporting, and rational sharing of revenues with the  
25 States. The new program must treat fairly the whole broad

1 range of stakeholders.

2 DAVID BATTS: Thank you.

3 MICROPHONE NUMBER ONE: Hi. I'm submitting the  
4 following testimony on behalf of Dan Smitherman, a Wyoming  
5 conservation representative with the Wilderness Society.

6 Dan is a retired Marine Corps officer and former  
7 outfitter and wilderness guide in the Wyoming range and the  
8 Bridger-Teton and Gros Ventre wilderness areas.

9 Coal has long been important to Wyoming. It has  
10 brought jobs, revenue, and power to many parts of the state.  
11 And the recent downturn in coal has been devastating to many  
12 communities and people who have seen formerly stable jobs go  
13 away.

14 But fossil fuels like coal, oil, and gas are  
15 commodities and subject to worldwide market conditions that  
16 are largely out of the hands of many. This is what we've seen  
17 here in Wyoming. As natural gas supply across the country has  
18 grown and its prices have dropped, coal is no longer the cheap  
19 energy source it once was, and the market and the financiers  
20 have recognized this.

21 This is what we are seeing all over the country, and  
22 it has hit as hard here as it has anywhere. Unfortunately,  
23 people are looking for who to blame without offering any real  
24 solutions on how to fix this problem. Maybe coal is coming  
25 back; maybe it's not. But we shouldn't have a state economy



1 and hundreds of thousands of jobs tied to a maybe.

2 Right now it's estimated that we have 20 years of  
3 federal coal reserves already leased. It is an ideal time to  
4 take stock of where we are and where we want to go. We need  
5 to look to how we can adapt and diversify to ensure that boom  
6 and bust cycles don't affect individuals in the way that they  
7 have.

8 We need a diverse economy, and that means looking to  
9 our public lands for value outside of coal, including  
10 renewable energy, recreation, and conservation. With reform  
11 of the federal coal program, what we have in front of us is an  
12 opportunity to really look at what we want the future to be.

13 Wyoming has some of the most amazing places in this  
14 country. I know. I enjoy them all the time. Our public  
15 lands contain real value that we need to ensure that, when  
16 they are used for extraction, we are seeing the full value and  
17 our state and the American people are getting a fair share  
18 from their resources.

19 We also need to make sure that companies reclaim  
20 their past mines before getting the opportunity to open up new  
21 mines. Cleaning up lands should not be the responsibility of  
22 the American people and reclamation means more jobs.

23 Thank you for the opportunity to share these comments  
24 about the importance of our shared land and resources.

25 DAVID BATTIS: Thank you.

1           MICROPHONE NUMBER ONE: Thank you. My name is George  
2 Dunlap. I'm from Gillette. I'm a fourth generation Campbell  
3 County resident. I'm not here representing the coal company  
4 or any environmental company at all. I'm here to represent  
5 the people of the United States of America.

6           In 1914 my grandfather and great-grandfather came out  
7 to this country and homesteaded. In 1915 my grandmother came  
8 out to this land and homesteaded. In 1916 my grandfather on  
9 the other side came out to this land and homesteaded. We're  
10 here because we want to be here.

11           Coal has done great things not only in Wyoming but in  
12 the United States of America. And as we've heard, the  
13 Industrial Revolution would never have happened if was not for  
14 the coal industry.

15           The coal mines of Campbell County have done a lot of  
16 things and paid a lot of taxes and done a tremendous job in  
17 reclaiming the land. Not only that, out of their own pocket  
18 for the good of the community, they've built Little League  
19 fields. They've put money into the hospital, and in the  
20 schools, the activities. They've done things that they don't  
21 have to do, but they pay for the community and make it a  
22 better place to live.

23           But that's not why you're here today. You want to  
24 know what to do on a price. You might think I'm foolish to be  
25 here because our family owns fee coal. That means we own the

1 coal in the ground just as the federal government, and that  
2 means whatever you pay, we make it also.

3 The thing is it has to be a fair price. If it's not  
4 a fair price, if it's not a good price, it's not a good deal  
5 for anybody. My mother has always said that any deal that is  
6 done has to be fair for both sides.

7 Right now, the price that you're charging for the  
8 coal is a fair price. It is a good deal, not only for the  
9 United States government, the money they're getting, but it's  
10 good for the coal mines. We don't need to raise the price on  
11 that.

12 (Applause.)

13 You know, I think that you come here, I'm really  
14 disappointed that whoever is in charge of this -- I'm just a  
15 photographer. I know nothing about all this stuff -- but  
16 whoever is in charge, why aren't they here? It's really  
17 disappointing that that person didn't care enough to come to  
18 our state and actually listen.

19 (Applause.)

20 I'm not here for anything. If the goal, if your goal  
21 is to close the coal mines, then you know what, have enough  
22 guts to stand up and say, "Our goal is to close the coal  
23 mines," and quit this crap.

24 We care about this state. We're going to survive.  
25 We're going to do good. Our country will do better with coal,

1 not only our country, millions and billions of people have a  
2 better life because of coal, and if you don't do what's right,  
3 you're going to screw it up.

4 (Applause.)

5 DAVID BATTIS: Thank you. Just please be respectful  
6 and hold the clapping.

7 Next speaker please.

8 MICROPHONE NUMBER ONE: I'm Penny Russell. I work  
9 for Cloud Peak. I'm a wife, a mom, a grandma. I'm one of  
10 approximately 15,000 people employed in this community in the  
11 coal industry, and I'm also one of the 11,000 facing layoffs.  
12 I want to offer you my unique perspective on the proposed  
13 changes to the coal mining business.

14 The energy sector as a whole has taken quite a  
15 beating over the past years, primarily due to a combination of  
16 foreign influence and internal regulations.

17 I was raised in a family heavily involved in the  
18 energy business with both my father and grandfather devoting  
19 their lives to helping this country rely less on foreign oil,  
20 but this isn't what we want to focus on. Instead, I'd rather  
21 share with you what I learned working almost 20 years in the  
22 retail world before joining Cordero 11 years ago.

23 I'm not going to present a lot of stats and numbers.  
24 There's plenty of that information readily available. I  
25 simply want to explain what these changes will mean to me, my

1 family, our community, our state.

2 It is so important for everyone to understand that  
3 it's not 11,000 people losing a job. It's 11,000 families  
4 losing their main source of income, their hopes, their dreams.  
5 This will also impact and have the result of loss of homes,  
6 family stability, and self-esteem.

7 I've seen first-hand in the retail business how the  
8 flux in the energy business forced people to move away from  
9 fresh produce and meat to hamburger and canned vegetables  
10 until even that was unaffordable. It was bologna and bread  
11 and on to food stamps.

12 I watched vendors cut their deliveries from three  
13 times a week to two to one. I saw smaller vendors lose their  
14 routes. I saw mom-and-pop businesses go under, wiping out the  
15 dreams of their owners as their business failed.

16 Families were forced to abandon homes, turning them  
17 back to the banks. Smaller banks failed. I saw my own hours  
18 go from 40 to 30 to 20, but knew I was lucky I still had a  
19 job.

20 My job at Cordero not only helps provide for myself  
21 and my husband, it also helps our five grown children and  
22 their families. Kids run short. Many of us in this industry  
23 help our parents, children, grandchildren, and neighbors.

24 At Cordero, we adopt families at Christmastime. We  
25 don't just provide a meal or gift card. We do everything --

1 food, clothes, shoes, coats, school supplies and toys. We do  
2 this as a crew with our own money and on our own time.

3 These changes will ripple throughout this entire  
4 community and our state, but the impact won't stop there. We  
5 don't want to be forced into a welfare state. However, the  
6 likelihood of that appears to be waning.

7 We just want to live our lives and pay our bills  
8 without asking for government assistance. The truly sad part  
9 of this is we will lose everything for no valid reason. If  
10 you feel we are too ignorant to understand the importance of  
11 our environment and renewable energy hope, you're sadly  
12 mistaken.

13 We are smart enough to realize that every precaution  
14 is being taken to preserve our environment throughout the  
15 energy industry as we pool and utilize the only sources that  
16 can currently meet the requirements of our society.

17 Thank you.

18 (Applause.)

19 DAVID BATTS: Thank you. And I would like to thank  
20 our first group. Those were wonderful comments, and you guys  
21 executed that perfectly.

22 If we could have group 11 through 15 go ahead and  
23 just casually make your way down to these seats.

24 MICROPHONE NUMBER TWO: Hello. My name is Casey  
25 Quinn. I'm with the Powder River Basin Resource Council. I'm

1 here on behalf of L.J. Turner and his wife Karen. They can't  
2 be here today because of calving on their ranch near Wright,  
3 Wyoming.

4 For nearly a century L.J. Turner and his family have  
5 run cattle and sheep over the rolling grassland of Campbell  
6 County. Born on land homesteaded in 1918 by his grandfather  
7 and father, L.J. manages herds of around 200 Red Angus cattle  
8 and 1,000 sheep. The expanse of grass and springs and streams  
9 allowed his herd to thrive.

10 However, the rise of intensive mineral extraction  
11 over the course of the past few decades has had significant  
12 consequences for his livelihood, including closures of his  
13 family's customary grazing land, extinguished springs, early  
14 drying creeks and rivers.

15 L.J. currently grazes livestock on 10,000 acres of  
16 private and public land, though his family historically  
17 ranched over three times that area. With the advent of the  
18 large strip mines just ten miles from his home, leases for  
19 6,000 acres of public assigned to his family since 1930 have  
20 been turned over to coal mining operations.

21 Coal company acquisitions of adjacent private lands  
22 have further reduced grazable area. Associated mine  
23 facilities also take their toll. For example, construction of  
24 mine road across L.J.'s last remaining public pasture over a  
25 recent summer grazing season required his displacement.

1 Facing a paucity of local relocation options, he reasoned that  
2 contemporaneously reclaimed mines should be available.

3 L.J. recalls being told that mine lands were  
4 de-grazable, and he offered to move his cattle there. The  
5 mine company instead offered him \$10,000 to relocate for the  
6 summer. The only suitable area he could find was 200 miles  
7 away in the Black Hills of South Dakota, and his compensation  
8 payment never materialized.

9 Besides losing thousands of acres of land he and his  
10 family historically ranched, L.J. has watched scarce water  
11 resources dry up as the coal bed aquifers have been  
12 depressurized for mining. Springs that have fed streams and  
13 watered cattle no longer flow.

14 As springs have dried up, so have the creeks and  
15 rivers that L.J. and his neighbors depend on. On a path near  
16 Porcupine Creek in close proximity to the mines, the drilling  
17 of exploratory borings eliminated the flow of minor springs  
18 that were useful for L.J.'s cattle while railroad construction  
19 covered over others.

20 An anchor of the regional economy, agricultural  
21 operations like L.J. are plagued by uncertainty over the  
22 long-term availability of adequate grass and water. Continued  
23 mine expansions in the near reclamation of lands in the State  
24 of Wyoming magnify this uncertainty.

25 Less than one percent of disturbed acres have



1 achieved final reclamation and bond release. One of the  
2 breakdowns in the implementation of our surface mining laws is  
3 the failure to force these companies to release mine lands and  
4 return them to agriculture production.

5 L.J. hopes the Department of Interior will consider  
6 these issues and develop solutions to them during the scope of  
7 the programmatic coal review.

8 Thank you.

9 DAVID BATTS: Thank you.

10 MICROPHONE NUMBER TWO: Hello. My name is Tom Tully.  
11 I'm a member of Northern Plains Resource Council, and I live  
12 in Billings, Montana.

13 I grew up on my family's ranch in the Bull Mountains  
14 north of Billings. The ranch was and is underlain by coal  
15 that was owned by the federal government and by the Northern  
16 Pacific Railroad under the 1864 Northern Pacific Railroad Land  
17 Grant Charter and generally in a checkerboard pattern.

18 That coal has subsequently undergone numerous changes  
19 in ownership, and due to difficulties in dealing with the  
20 company that ended up with the railroad surface and  
21 subsurface, my family no longer owns that ranch.

22 In short, the federal government first transferred  
23 ownership of vast amounts of publicly owned lands and coal to  
24 land grant railroads in the 1800s, and since then the Bureau  
25 of Land Management has worked to transfer large portions of

1 publicly owned coal to a handful of coal companies either  
2 through the use of land exchanges or by leasing.

3           The BLM's emphasis has always been in favor of  
4 leasing or otherwise transferring coal to mining companies,  
5 whether or not it was needed or in the best interest of the  
6 public.

7           This emphasis needs to change in a number of ways.  
8 Coal leasing should be based on what is good for the public,  
9 not coal companies. This requires that the BLM decide where,  
10 when, and how much coal is leased rather than allowing coal  
11 companies to dictate the terms.

12           Furthermore, because there's already more coal leased  
13 than can be mined in the next 20 years, there should be a  
14 moratorium on coal leasing when BLM takes time to revamp the  
15 federal coal program.

16           Tighten up loopholes that allow coal companies to  
17 underpay royalties in particular by bookkeeping tricks that  
18 allow a company to pay royalties on the price of coal at the  
19 mine mouth at a much lower rate than when it is shipped even  
20 when owned by the same parent company.

21           Ensure competitive and transparent leasing so that  
22 the public knows exactly who is bidding on coal and the terms  
23 of the lease. Because the rate of reclamation of the coal  
24 mines in the West lags behind the rate of mining, ensure first  
25 the bonding is adequate for reclamation and the successful

1 reclamation is completed or well under way before leasing more  
2 coal.

3 Provide for protection for surface owners in the  
4 instance of a split estate and especially before allowing the  
5 exchange of split-estate coal, regardless of the methods used  
6 to mine coal. This includes longwall and other methods of  
7 underground mining.

8 I would to thank Secretary Jewell for directing that  
9 the BLM issue guidance clarifying that such exchanges should  
10 protect private surface owners.

11 And last, the BLM should be planning for an orderly  
12 decline of coal mining in the U.S. and in the West. Much of  
13 the federally owned coal under the control of the BLM is  
14 interspersed with privately owned coal or coal owned by the  
15 State. So how the BLM manages their coal has a tremendous  
16 impact on the contiguous coal field.

17 The BLM should be working to maximize the return to  
18 the public rather than giving what is essentially a subsidy to  
19 the coal industry, even though it could be used to help the  
20 communities affected most by the decline in the coal mining  
21 industry.

22 I appreciate this opportunity to testify, and I would  
23 like to enter my testimony into the record. Thank you.

24 DAVID BATTS: Thank you.

25 MICROPHONE NUMBER TWO: My name is Richard Reavey. I

1 work for Cloud Peak Energy, a coal producer here in Wyoming  
2 and Montana.

3 First, I object to these hearings, the moratorium on  
4 federal coal leasing, and the sham of the programmatic  
5 environmental impact study on federal coal leasing.

6 The majority of comments from the so-called listening  
7 sessions on coal leasing last summer made it clear that the  
8 program works, that there's no justification for increasing  
9 royalty and leasing rates.

10 Neither the Government Accountability Office nor the  
11 Inspector General or Department of the Interior reports on  
12 federal coal leasing make any recommendations that merit a  
13 leasing moratorium or the witch hunt of a programmatic EIS,  
14 despite misleading claims to the contrary by the Secretary.

15 This is a politically motivated sham pandering to the  
16 political allies of the Secretary and the administration at  
17 the cost of jobs, communities, and people in this room today.

18 I want to make it extremely clear that this effort by  
19 the Secretary to justify leasing and royalty rate increases  
20 through this witch hunt EIS is illegal.

21 The Mineral Leasing Act, which is a very good data  
22 source for you, should you care to read it, is the law under  
23 which the federal coal leasing program operates. It directs  
24 and requires the Secretary to develop guidelines and  
25 regulations for the program that -- and I quote -- "ensure the

1 maximum economic recovery of coal." The coal leasing  
2 moratorium violates that requirement.

3 Furthermore, with federal coal selling at historic  
4 lows, miners being forced out of their jobs, coal producers in  
5 bankruptcy, and PRB coal delivering 40 percent of the selling  
6 price in taxes, fees, and royalties, there is no economic  
7 justification for an increase in royalty or leasing rates.

8 Instead Secretary Jewell has repeatedly stated that  
9 royalty and leasing rates should reflect the administration's  
10 climate objectives. If so, she should seek amendment of the  
11 Mineral Leasing Act in Congress because Congress has the  
12 authority to impose new taxes, not the Secretary.

13 There's no economic justification for royalty and  
14 leasing rate increases. So any attempt to impose new  
15 increases on the basis of the administration's climate  
16 objectives is a social cost, a carbon tax, a climate tax, or  
17 whatever else she would like to call it, is illegal.

18 Attempting to keep it in the ground by imposing taxes and fees  
19 that discourage the maximum economic recovery of coal is  
20 illegal.

21 Finally, I want to make it clear that the Secretary's  
22 efforts to destroy mining in the West, to destroy communities  
23 across the West, and to destroy the livelihoods of people in  
24 this room is a despicable act of political pandering.

25 I request that the Secretary remove the moratorium

1 immediately and cease the sham of this EIS.

2 (Applause.)

3 DAVID BATTS: Thank you.

4 MICROPHONE NUMBER TWO: Good morning. My name is  
5 Ryan Alexander. I'm the president of Taxpayers For Common  
6 Sense, an independent nonpartisan budget watchdog. Our  
7 mission is to achieve a responsible federal government that  
8 operates within its means.

9 Ensuring a fair return for taxpayer-owned natural  
10 resources and other assets has been a guiding principle since  
11 we were founded 20 years ago. We work to ensure the taxpayers  
12 receive appropriate compensation for all resources developed  
13 on federal lands including hard rock minerals, oil, gas, wind,  
14 and solar. We track subsidies to each of these industries and  
15 emphasize the need for a transparent leasing and royalty  
16 collection process.

17 Everyone in this room knows the coal industry is in a  
18 period of change, and those changes are cause for concern for  
19 many particularly here in Wyoming. But despite this anxiety,  
20 the current review of the federal coal program is both  
21 warranted and well-timed. Demand for coal is slowing. The  
22 industry is in flux, and there's a 20-year supply in the  
23 pipeline already under federal lease.

24 Meanwhile, recent investigations show continuing  
25 problems with the federal coal program. The system bears no

1 resemblance to the one envisioned by Congress and fails to  
2 meet the goals set by the last major review of the program  
3 conducted during the Reagan administration.

4 Today's coal leasing program suffers from a lack of  
5 competition, problems of valuation, and lack of transparency.  
6 For the last 25 years coal companies have proposed tracts of  
7 land put up for sale by BLM through a lease-application  
8 process. Close to 90 percent of these sales have only a  
9 single bidder.

10 The lack of competition for federal coal leases makes  
11 the process of determining fair market value for coal  
12 controversial. There are legitimate problems in continuing to  
13 value lease tracts that lack competitive appeal because it's  
14 to maximize profits for the bidder and not the taxpayer.  
15 Because of the lack of competition, comparisons for the  
16 purpose of appraisal are difficult.

17 Interior also undervalues federal coal when it is  
18 sold. The coal companies often sell coal to assist  
19 (unintelligible) and then turns around and sells it for a much  
20 higher price. Interior collects royalties on the lower price.  
21 According to the Energy Information Administration, these  
22 captive sales accounted for more than 30 percent of coal sales  
23 in Wyoming and Montana in 2013.

24 Then there's the shroud of secrecy that surrounds  
25 BLM's work. BLM does not disclose how it estimates fair

1 market value and defines it by its own rules. The bids for  
2 leases are sealed. BLM cannot provide an accounting of the  
3 number of leases with reduced royalty rates. The process BLM  
4 uses to make sure taxpayers get fairly compensated is wiped  
5 out, also important to federal taxpayers especially those who  
6 live in states with significant coal production from federal  
7 land.

8 As we've seen in Inspector General and Government  
9 Accountability Office reports have documented, even an  
10 undervaluation by a single penny per ton would result in a  
11 multi-million-dollar revenue loss. Undervaluation and  
12 problems with the coal program have already cost taxpayers  
13 billions of dollars.

14 Thank you for conducting this review of the coal  
15 program. Interior has a fiduciary responsibility that  
16 taxpayers are fairly compensated for the access we all own.  
17 Coal is an important part of our energy mix and will remain so  
18 for decades to come.

19 The coal industry and the federal coal program can  
20 emerge from this review better prepared to meet today's energy  
21 market. With a \$19 trillion debt, we cannot afford to wait  
22 any longer to fix this broken system.

23 DAVID BATTS: Thank you.

24 MICROPHONE NUMBER TWO: Good morning. My name  
25 Shannon Anderson, and I work for the Powder River Basin



1 Resource Council, a Wyoming nonprofit citizen organization  
2 founded in 1973.

3 I was born and raised in Wyoming, and I care deeply  
4 about our state. That's why I work with our members to  
5 address the impact of coal leasing, mining, and burning on the  
6 people and places of Wyoming.

7 By law, the charge that the Department of Interior  
8 has with regard the federal coal program requires you to  
9 ensure that the program is carried out in the way that  
10 promotes the public interest and creates a fair return for the  
11 American public.

12 We appreciate the department's review of the program  
13 and look forward to reform proposals that will ensure that the  
14 program meets these legal obligations into the future for the  
15 benefit of current and future generations, the Wyomingites,  
16 and citizens across the country.

17 Unfortunately, significant public revenue has been  
18 lost because of chronic under-valuation of coal-lease bonus  
19 bids and resulting subsequent losses from underpaid royalties.  
20 Recent government reports have shown that raising bid amounts  
21 a mere penny could bring up to \$7 million of additional  
22 revenue. In short, every penny counts.

23 Revenue losses also occur from loopholes in the coal  
24 royalty valuation, loopholes that the department is currently  
25 working to close.

1           The department must also look critically at the  
2   leasing process and consider reforms that will create better  
3   planning and review systems to take into account the coal  
4   program's role in our nation's energy mix and the impact of  
5   leasing on our environment and our communities.

6           Today, lease tracts, as applied for by the coal  
7   companies, are designed to benefit that company, not the  
8   public. The department must get back into the driver's seat  
9   to decide when, where, and how much of the public coal to  
10   sell.

11           The new ways of leasing in the Powder River Basin and  
12   other coal regions of the country will create substantial  
13   public benefit and will better match the coal program with the  
14   government's other priority for environmental and social  
15   responsibility.

16           Here in Wyoming, all these applications and some  
17   lease modifications have been delayed at the request of the  
18   companies because of weak coal market conditions caused by low  
19   natural gas prices and, perhaps somewhat ironically, warm  
20   winter temperatures. These delays were in place before the  
21   department's pause on new leasing. Market conditions provide  
22   sufficient breathing room for the department to take a step  
23   back and reevaluate the federal coal program.

24           The leasing pause won't impact laws or coal  
25   production. In fact, market conditions show the necessity in

1 doing this review. Our nation and the world's sources and  
2 supplies of energy have changed dramatically since the program  
3 was last evaluated three decades ago, and we are long overdue  
4 for both taking a hard look at this program and acting to  
5 overhaul it to benefit the public.

6 Thanks for listening to our concerns and information  
7 today. We look forward to participating in the rest of your  
8 public review process.

9 DAVID BATTS: Thank you.

10 If we could have groups 16 to 20 make your way on  
11 down, and we'll move over here to number 11.

12 MICROPHONE NUMBER ONE: Hello. I'm Ellen Pfister,  
13 and I wish to thank the Bureau of Land Management, the  
14 Department of Interior for allowing me to present comments on  
15 the federal coal leasing program on behalf of the Western  
16 Organization of Resource Councils and Northern Plains Resource  
17 Council and myself as a citizen affected by the coal leasing  
18 program.

19 I ranch north of Shepherd, Montana, and the north end  
20 of my ranch is being under-mined for coal thanks to a  
21 coal-for-land trade 25 years ago. And my next neighbors will  
22 be under-mined thanks to a federal coal lease.

23 The mine is speculative and has been in search of a  
24 market since it was conceived, and it thought it had a market,  
25 and the market is now going downhill. So now is a good time

1 for BLM to stop and take an assessment of its procedures.

2 The coal industry is in a great state of flux now,  
3 and they need to determine how they want to handle their  
4 federal coal reserves for future use. Much of BLM's 570  
5 million acre mineral estate in the West is under private  
6 surface such as mine.

7 And as the surface owner, I am very concerned about  
8 this. This thing has hung over my head for 25 years. Only  
9 one thing will be mined from the coal deposit, but the lease  
10 is for all the coal. And so we actually stand a potential for  
11 being under-mined two or three more times, and we don't know  
12 when the lease expires.

13 Does it expire when the main seam is taken? Does it  
14 expire a hundred years from now when maybe they get around to  
15 the last one?

16 There's no certainty when you coal -- when you own  
17 surface over federal coal, and there's a lot of private  
18 surface owners in the West in that situation.

19 The easy profitable coal has been mined in the last  
20 40 years at a much faster rate than was initially anticipated  
21 when leasing began in earnest. The funds to reclaim the mines  
22 should be available, but apparently they are not.

23 I could foresee something happening under OSM's aegis  
24 where the self-bonded material is sold to satisfy the debtors.  
25 The State of Wyoming may decide that the debt for reclamation

1 is too big for it to handle, and then BLM would could wind up  
2 with their leases with just a big hole in the ground. And  
3 there's no way you're going to multiple-use those holes.

4 BLM should not grant any more coal leases until  
5 reclamation is caught up with on the leases.

6 DAVID BATTS: Thank you.

7 MICROPHONE NUMBER ONE: Good morning. I'm Mike  
8 Penfold from Billings, Montana, and I represent our Montana  
9 field program director.

10 Mary Jo, in 1980 I was appointed state director for  
11 BLM in Montana and the Dakotas. It was an interesting time.  
12 You remember in the 1970s, OPEC had been playing games with  
13 the United States energy crisis. And early in the '70s too we  
14 had the federal coal leasing tax had been passed, regulations  
15 being developed. The bill SMCRA had been passed. NEPA had  
16 been passed. Regulations were developed.

17 We established coal teams in Montana and Wyoming to  
18 plan the leasing of coal, cooperation from the federal and  
19 state agencies. We were dealing with suitability,  
20 unsuitability criteria, surface owner consent, reclamation  
21 standards, a whole lot of stuff.

22 I felt very good about the coal program and BLM at  
23 that time. Now that's going on 40 years, almost four decades  
24 back. So looking back is a good thing.

25 It is not a sham to be taking a look at the coal

1 program as was stated earlier. Climate is changing. People  
2 are beginning to -- even the hard-liners are beginning to  
3 understand we've got to think about that. We're going to have  
4 less carbon burning.

5 Major coal companies are going bankrupt. There is a  
6 glut of oil and gas, all kinds of new techniques developing  
7 there. Solar and wind energies are coming on strong.  
8 Technologies are getting better and less expensive.

9 The big gorilla in the room that a lot don't want to  
10 recognize is the market is having an impact and it's going to  
11 have its impact. Regardless of any political administration,  
12 it's going to have its impact.

13 So the coal industry, the carbon industry faces a  
14 reality. The community faces a reality of more is going to be  
15 less. It's going to be less.

16 So the question is what do we do? We're in a  
17 transition period of time, and there's no question that we're  
18 going to be leasing and mining coal for a long time. So let's  
19 get the pricing right. We heard how important the price is  
20 for the schools here in Wyoming. Let's not subsidize  
21 anything. The communities need the funds.

22 We need to have stronger bonding. We need to have  
23 reclamation. Only 14 percent of the land we lease coal for  
24 has been reclaimed that's been mined. Strengthen bonding, you  
25 just have to get that.

1           But I tell you the sense I have is that it would  
2 really be important for federal government and state  
3 government to start looking at this as a transition. We don't  
4 have coal production like we used to have. Let's develop  
5 something like the old coal teams that we had before.

6           This would involve state and federal government, the  
7 private sector even, and bring all the forces that are to bear  
8 on this changing countryside that clearly has an impact on the  
9 land, the people, and the communities and our future.

10           Thank you for your hearing.

11           DAVID BATTIS: Thank you.

12           MICROPHONE NUMBER ONE: Good morning. My name is Dan  
13 Neal. I'm here as an observer and commenting for myself. I  
14 want to address the idea of ensuring a --

15           (Telephonic interruption.)

16           Anyway, I'm sorry about that. Excuse me.

17           Senator Enzi says coal supports families, and I  
18 agree. I want to make it clear that it's the resource that  
19 supports families. It's not always the companies. Companies  
20 have the fiduciary responsibility to their stockholders, and  
21 here in the past year or so, we've seen that sometimes the  
22 managers of those companies see the responsibility appears to  
23 be more to themselves.

24           We've seen them take millions of dollars in bonuses  
25 as they have plotted the bankruptcy schemes that take away

1 health benefits and pensions to the employees that worked  
2 loyally for them for so long.

3 Mr. Fagan talked about protecting BLM employees. I'd  
4 like to see if the program can be modified in a way that  
5 leases could be set up to protect workers and the communities  
6 that they reside in. We need to cut deals and hold these  
7 companies to it.

8 Historically, Wyoming, you know, imposed -- initially  
9 imposed a 10-and-a-half percent severance tax on the coal  
10 producers with the promise that, when a coal impact fund had  
11 reached \$250 million, that severance tax could be cut to  
12 7 percent. The State followed through on its promises. When  
13 that impact fund was met, the severance tax was cut.

14 I hope you'll consider some wise regulations as  
15 others have pointed out. Wise regulations have led to the  
16 development of the coal in the Powder River Basin in order to  
17 provide clean air for this country.

18 I hope you'll consider regulations that will hold the  
19 lessees responsible for conducting full reclamation so these  
20 lands are restored to use for the state and its residents into  
21 the future and to do what you can to find ways to make certain  
22 that companies meet their obligations, pension and healthcare  
23 obligations to the people who worked for them so long.

24 Thank you.

25 DAVID BATTIS: Thank you.



1           MICROPHONE NUMBER ONE: I apologize about the phone.

2           MICROPHONE NUMBER ONE: Hello. I'm Donna Obermiller,  
3 and I'm from Laramie, Wyoming. My family was originally from  
4 here a long time ago when the railroads started. My father's  
5 family also worked in the energy industry, and they were also  
6 military men. And the military has spoken to me many times  
7 about my service and thanking me for what I do.

8           I think everyone who has utilized electricity knows  
9 that workers are responsible for providing the services to us.  
10 I want to say that I'm here with the Sierra Club today and  
11 that I am resourcing what I'm about to say from an article by  
12 Jonathan Tasini "How to Support Energy and Not Be a Jerk"  
13 about it.

14           I would like to say that the focus that I would like  
15 to speak on today is selling oil to foreign markets. I think  
16 we should consider the needs of the American workers before we  
17 do that. And I see what is happening here is that our society  
18 is transitioning from fossil fuel and coal, and we are moving  
19 towards a large-scale loss of jobs that can be seen in the  
20 communities in Wyoming.

21           We can see, by labor's mobilization also with the  
22 raising of the minimum wage to \$15, that it is possible for  
23 Congress in the United States to respond to the will of the  
24 workers.

25           Beyond promising coal workers green jobs at the same

1 rate of pay, we have to be realistic and admit that a switch  
2 in emphasis may be necessary on a scale. What scale? How  
3 long? How much on a big scale? On the scale that was used at  
4 reeducating people at the end of the second world war when our  
5 economy was devastated by a depression and also a war economy?

6 Our infrastructure needs to be replaced in building,  
7 engineering, and transportation, not just in green jobs, and  
8 that means funding for education, long-term funding -- not a  
9 month, not a year, maybe like four years and graduate degrees.

10 Thank you.

11 DAVID BATTIS: Thank you.

12 MICROPHONE NUMBER ONE: Thank you. And welcome to  
13 almost coal country although Casper is greatly affected by the  
14 lack of leasing -- and I need to speak a little closer to this  
15 microphone, I think. But Casper is also a recipient of all of  
16 th great leases and the coal bonus leases which has come to  
17 our state to build our schools.

18 I am Senator Michael Von Flatern, Wyoming State  
19 Senator that represents Campbell County and Gillette in  
20 particular. I'm also representing thousands of proud  
21 hard-working coal miners and service company employees.

22 Although we've only laid off approximately 600 in the  
23 coal mining industry, as stated earlier, you can multiply that  
24 by three or four to find the real effect on our community.

25 Our coal industry pays the highest combined taxes and

1 royalties of any federal leased minerals and mines in Wyoming.  
2 For every ton of Wyoming coal mined by a coal miner, the  
3 companies pay more than their fair share of government-imposed  
4 taxes, fees, and royalties.

5 In fact, royalties and taxes paid on each ton of  
6 Powder River Basin coal approaches 40 percent of the selling  
7 price. When you include the federal royalty payments, the  
8 abandoned mines land fees, the average per-ton lease bonus  
9 payments, and state and county taxes, I doubt there is any  
10 other industry in this state or the nation that generates the  
11 same percentage of benefits for taxpayers and for the public  
12 good.

13 The effective royalty rate on federal coal mining in  
14 Wyoming exceeds 20 percent, comprised of a right to mine  
15 royalty or bonus bid that has averaged approximately \$1 per  
16 ton in recent years. With the State's share we have built  
17 schools, and I want to emphasize that, that this state has  
18 built their schools in last ten years with the percentage of  
19 the coal lease bonus money that this state receives.

20 Then there is an additional 12-and-a-half percent  
21 royalty imposed by the federal government on every ton mined.  
22 Add to that the State of Wyoming imposition of 7 percent  
23 severance tax on each ton of coal. Then the county assesses  
24 an ad valorem tax on top of that.

25 Those that contend this isn't enough are intending to

1 increase the tax burden on an already stressed industry,  
2 likely the intent of making mining coal uncompetitive.

3 Gillette is home to one of the cleanest coal-fired  
4 power plants ever built. It's called the Dry Fork Station.  
5 There's no reason to believe our utilities industry in the  
6 nation cannot achieve even more advanced technological  
7 achievements in the future.

8 Now we have power reconstruction in an integrated  
9 test center at the Dry Fork Power Station. This will prove  
10 that our product can be produced from the exhaust of power  
11 stations and that once again we will build coal-fired power  
12 stations in this country. I'll end right there.

13 Thank you.

14 (Applause.)

15 DAVID BATTS: Thank you. Now I'll call group 21  
16 through 25 to microphone number one. We've been at this for a  
17 little over 45 minutes. Thanks to the speakers for making  
18 wonderful comments, and we appreciate you keeping to the time  
19 limit. You're doing a great job.

20 MICROPHONE NUMBER TWO: My name is Doug Lempke, and  
21 I'm here to represent the views of Tri-State Generation and  
22 Transmission Association. Tri-State is a consumer-owned,  
23 not-for-profit wholesale electric power supplier owned by  
24 44 electric cooperatives that serve approximately 1.5 million  
25 consumers, primarily in the rural areas of Colorado, Nebraska,

1 Wyoming, and New Mexico.

2 We own and operate the Colowyo Mine in Colorado which  
3 has long-term federal coal leases with the BLM. The Colowyo  
4 Mine generates a million federal royalties with approximately  
5 half of these royalty revenues returned to the State of  
6 Colorado and local communities.

7 Tri-State is also a participant in the Trapper Mine  
8 in Colowyo in Colorado and in the Dry Fork Mine in Wyoming,  
9 which also has long-term federal leases. And we receive coal  
10 for our Springerville, Arizona facility from Peabody's North  
11 Antelope Rochelle Mine and from Arch Coal's Black Thunder  
12 Mine.

13 The discussion regarding limiting access to federal  
14 coal and increasing royalty rates is nothing more than a  
15 continuing effort to artificially increase the cost and  
16 discourage the use of affordable, reliable coal resources.

17 Increasing the cost of federal coal will have a  
18 direct adverse impact on our members and the communities they  
19 serve, but will provide little actual benefit to the  
20 environment since it will just shift the development to other  
21 areas.

22 For the most part -- I'm sorry. For the nonprofit  
23 cooperatives like Tri-State, any increase in the fuel cost is  
24 directly borne by our members. And our member system serves  
25 one of the economically depressed communities in the region

1 where residents can least afford to pay higher electrical  
2 bills.

3 As BLM develops the programmatic environmental impact  
4 statement for the federal coal program, Tri-State strongly  
5 encourages you to consider the impact on the cost of  
6 electricity, consider federal, state, and local government  
7 dependence on royalty payments that they'd receive.

8 Consider the true cost to mine federal coal including  
9 state and federal royalty payments, all bonus bids, ad valorem  
10 property taxes, ad valorem production taxes, sales and use  
11 taxes, severance taxes, and abandoned mine land fees, new ways  
12 to simplify reporting and administrative burdens for all  
13 parties involved.

14 Consider the long-term benefits that coal mining can  
15 have for the environment, specifically reconfiguration of  
16 wildlife habitats which may be in decline or of poor quality  
17 to start.

18 Consider the provisions of the Mineral Leasing Act  
19 that specifically identifies and mandates the development of  
20 these resources for the benefit of the American public.

21 I'm going to scoot down here. The idea that access  
22 to federal coal should be significantly reduced or eliminated  
23 would be disastrous and should not be considered as a  
24 reasonable alternative in the PEIS.

25 Curtailment or elimination of federal coal will

1 simply shift the emphasis to use of private coal and eliminate  
2 any royalty payments and increase electricity costs.

3 As a nation we can continue to use federal coal in  
4 the future to keep electricity prices low while meeting  
5 national goals to reduce greenhouse gas emissions. While the  
6 current administration is focused on the reduction of coal  
7 generation, it does not suggest that federal coal production  
8 be eliminated.

9 In fact, the Environmental Protection Agency  
10 estimates that under the Clean Power Plan, coal will account  
11 for approximately 30 percent of the country's electricity  
12 generation in 2030. This future coal can come from the  
13 federal reserves where there is more environmental oversight  
14 and provide significant revenue to the American taxpayer,  
15 state and local communities.

16 I'll stop there. Thank you.

17 (Applause.)

18 DAVID BATTIS: Thank you.

19 MICROPHONE NUMBER TWO: Thank you. My name is Colin  
20 Marshall, and I'm proud to be the president and CEO of Cloud  
21 Peak Energy, one of the largest U.S. coal producers and  
22 currently a nonprofit --

23 (Laughter.)

24 -- which mines exclusively in Wyoming and Montana.  
25 Our headquarters is in Gillette, Wyoming.

1           Most all our coal is produced from federal leases,  
2   which is why we are very concerned about the potential impact  
3   of changing the current leasing system and royalty rates. In  
4   my 25 years experience working with mines around the world, I  
5   can tell you that the tax and royalty burden paid by mines,  
6   miners of U.S. federal coal is the highest I've come across by  
7   a large margin.

8           I believe the U.S. is getting a very fair return for  
9   its coal and any balance review would acknowledge this. As  
10   the DOI knows, the auditing process is exhaustive, open, and  
11   transparent. The basis of accusations from opponents of coal  
12   that there are loopholes in the current system do not stand up  
13   to informed examination and can't stand up to the DOI's  
14   constance.

15           As the federal coal leasing program is reviewed, it  
16   is important that the statutory authority of the Mineral  
17   Leasing Act constantly be referred to along with the  
18   directions of the Secretary of the Interior, and all the  
19   guidelines and regulations for the federal coal leasing  
20   program must ensure the maximum economic recovery of coal.

21           The Secretary is instructed by law to do this,  
22   designing regulations to keep federal coal in the ground would  
23   be a violation of the law. It is Congress, not the Secretary  
24   that is empowered to tax. Any efforts to impose new carbon  
25   taxes as such on carbon or, as the Secretary suggests, to



1 reflect the administration's climate objectives in royalty and  
2 leasing rate hikes would be illegal.

3 Further, with domestic federal coal producers  
4 bankrupt, coal prices at historic lows, and taxes and fees on  
5 Powder River Basin coal alone at over 40 percent of the  
6 selling price, there is no economic justification whatsoever  
7 to increase royalties or lease rates.

8 To put this in context, last year, Cloud Peak Energy  
9 paid 303 million in taxes and royalties when our business  
10 suffered a net loss of 204 million.

11 In addition, we paid 69 million for federal leases.  
12 There has always been a much larger return from our mining to  
13 the federal and state governments than to our shareholders.

14 I would like to quickly address the bigger issues and  
15 concerns about climate change that I believe are behind the  
16 efforts to increase the federal royalties and keep U.S. coal  
17 in the ground. Unfortunately, the current thinking about  
18 climate change in the U.S. has evolved to the point where  
19 stopping coal production appears to be the number one  
20 objective.

21 The climate scientists know that eliminating U.S.  
22 coal will not fix climate change, and as Secretary Jewell said  
23 last week, "The keep in the ground movement is naive."

24 I believe that what we should be doing is using some  
25 of the \$11.3 billion per year that currently subsidizes

1 large-scale wind and solar projects to developing the  
2 commercialized carbon capture and storage.

3 This is what the scientists of the IPCC called for in  
4 the 2014 Mitigation of Climate Change report. This advice  
5 from the IPCC is ignored by most groups who consider our  
6 climate. If the U.S. put some effort into this carbon  
7 capture, it could lead the world among power producers by  
8 reducing emissions massively and allow the world to have  
9 affordable electricity.

10 Thank you.

11 (Applause.)

12 DAVID BATTS: Thank you.

13 MICROPHONE NUMBER TWO: Good morning. I'm Micky  
14 Shoher, Campbell County Commissioner. Campbell County is the  
15 heart of the Powder River Basin. We are responsible for about  
16 40 percent of the coal production in the United States.

17 I'm going to quote from Sally Jewell, who recently  
18 said:

19 "It's going to take a very long time before we  
20 can wean ourselves from fossil fuels. So I  
21 think that to keep it in the ground is naive.  
22 To say we could shift to 100 percent renewables  
23 is naive."

24 So I want to talk to you a little bit about, as  
25 a county commissioner, we're responsible for the budget of

1 Campbell County, spent the last 30 days trying to figure out  
2 how to get a 20 percent reduction out of our budget.

3 We know from the way taxes are collected that we're  
4 two years behind. We know we're going to see another  
5 20 percent next year, and we're going to see another  
6 20 percent the year after that. We're seeing an increase of  
7 200 percent in unemployment in the county.

8 It doesn't really take into consideration what the  
9 railroad has done, and now we're seeing those kinds of things.  
10 There are a hundred-plus locomotives stacked in the rail yard  
11 in Gillette that don't have anything to do. Those locomotives  
12 came from across the United States, but they predominantly  
13 were used for coal transportation on the trains.

14 Also in 2014 coal paid 1.1 billion in revenue to  
15 state and local governments. We've -- and as part of that,  
16 we're also seeing a 30 percent drop in sales tax revenue. The  
17 folks have -- we see a drop in new vehicle licensing. People  
18 are not spending their money. They're hanging on to it.

19 So if we took coal that's \$11 a ton, the taxes at  
20 12-and-a-half percent royalty would be a buck 30. The average  
21 bonus on that coal is a dollar per ton.

22 The AML money that is assessed on a ton of the coal  
23 is \$0.28, black lung is \$0.55, state severance is 5.3 percent,  
24 county tax is 4.5 percent -- which adds another \$1.08 to that  
25 value.

1           So in total on an \$11 ton of coal, there's \$4.28 in  
2   taxes, which is probably one of the highest tax rates of the  
3   minerals industry in the United States.

4           And so there's one other thing that's coming with  
5   this moratorium on coal. There is an EIS out now for some oil  
6   locations, and they are 20-plus wells per location. A  
7   location will take up the 40 acres, and these are just outside  
8   what is currently leased. They're just inside the new coal  
9   lease boundaries.

10          One of these 40-acre pads has the potential to  
11   isolate 220 million tons of coal for each one of those that  
12   would be in front of the mine.

13          DAVID BATTS: Thank you.

14          MICROPHONE NUMBER TWO: Hi. I'm Phil Christopherson.  
15   I'm the CEO of Energy Capital Economic Development in  
16   Gillette, Wyoming. I am basically working to improve the  
17   economy and improve business in Gillette and Campbell County.

18          In your opening presentation, you talked about seven  
19   points that you're addressing to try and address the scope of  
20   this. As I was listening, I couldn't help but notice that you  
21   left out a couple that I think are really important.

22          Number one, how are we going to use our natural  
23   resources to provide affordable energy to continue to provide  
24   our nation with the lifestyle, the technology that we have?  
25   That's where your focus should be, not on all these other

1 peripheral things.

2           The current coal moratorium that's on, the coal lease  
3 moratorium is purely a political move. It doesn't help  
4 anybody. It has not been reviewed because it brings a lot of  
5 attention to it. I think the review needs to continue, but  
6 the focus needs to shift to how are we going to continue to  
7 provide our citizens with the lifestyle that we enjoy?

8           If you have a smart phone or a tablet or a car or a  
9 home and the home is heated in the winter and cool in the  
10 summer, you should be very thankful because a large majority  
11 of the citizens of this world do not have that. We have  
12 things like that because of affordable energy, and the focus  
13 needs to be how do we continue to provide that energy that's  
14 affordable to our people?

15           The second point that needs to be addressed is how  
16 are we going to ensure that our people have good, well-paying  
17 jobs? We shouldn't artificially raise the minimum wage. We  
18 should provide good-paying jobs that allow people to go out  
19 and work and earn a good living.

20           That's what coal jobs are. That's what mineral jobs  
21 are. That's what technology jobs are. That's where the focus  
22 of your scoping needs to be. How do we provide good  
23 affordable energy for our nation so we can continue to grow?  
24 And how do we continue to provide good jobs for our citizens?

25           Thank you.

1 (Applause.)

2 DAVID BATTS: Thank you.

3 MICROPHONE NUMBER TWO: My name is Joan Kresich. I  
4 live in Livingston, Montana, and I'm part of Yellowstone Bend  
5 Citizens Council.

6 I want to thank the Department of Interior for your  
7 commitment to making coal leasing more fair. The leasing  
8 program needs to serve the public's interest in this, our  
9 21st Century, not the bottom line of just one industry selling  
10 U.S. coal for export.

11 Others have talked about closing various loopholes.  
12 So I won't go over that.

13 The costs to taxpayers for the broken leasing program  
14 are \$1 billion a year in lost revenues. What could that one  
15 billion do? Many of us feel that it should fund a strong  
16 program for coal communities to identify what will help them  
17 thrive as the coal markets continue to decline.

18 We also feel that one billion needs to fully fund  
19 reclamation which is currently way behind and the good  
20 dependable jobs that go with reclamation. That one billion  
21 can help mitigate the growing effects of climate change that  
22 we're all suffering.

23 I want to just point out one of those many effects,  
24 and that's our Montana fire season. It has expanded year by  
25 year. What used to be a several-month fire season has grown

1 to by several months beyond that. We used to be saved because  
2 the fires didn't start until late in the year in the summer  
3 and would be put out by the first snows.

4 Now fires that start earlier due to the warming of  
5 climate change don't get put out. So we're losing many, many  
6 more acres of forest.

7 And I want to mention our own land, my husband has  
8 the remnants of a ranch in the Bridger Mountains. We're  
9 seeing the loss of forest through another mechanism of climate  
10 change in that the spruce budworm, which is not getting the  
11 weeks of 20-below that it needs to be killed. So we're losing  
12 our trees there.

13 For fairness to American citizens and taxpayers for  
14 creating revenue for coal communities to make the transition  
15 for reclamation for addressing climate change, I hope you'll  
16 consider making coal companies pay fair market value for our  
17 public coal. Thank you.

18 DAVID BATTIS: Thank you. And thank you to all the  
19 folks who have traveled to be here with us today. Many of us  
20 have come long distances. We appreciate that effort. If we  
21 could have group 26 through 30 go ahead and come on over to  
22 microphone number two.

23 And I turn it over to you, sir, microphone number  
24 one.

25 MICROPHONE NUMBER ONE: Thank you very much. My name

1 is Larry Bean. I'm from Billings, Montana, and I'm here with  
2 the Northern Plains Resource Council. I'd like to thank you  
3 for your efforts to this point in time with the listening  
4 session and the results that it brought in bringing this  
5 scoping session into being.

6 As I read through the results, there was one issue  
7 that struck me as maybe needing a little more attention, and  
8 personally, I would like to see a more robust investigation in  
9 a final statement. And that is the issue of reclamation.

10 Right now, it appears that, even with certain  
11 accolades for having done some reclamation, overall there's  
12 only 14 percent that's actually been reclaimed. So the  
13 disturbances far outweigh the actual reclamation work.

14 In addition to that, just in my own personal  
15 conversations, I'm very hard-pressed to find anyone who really  
16 truly believes that everything is going to be reclaimed. In  
17 fact, most people think it's going end up being back on the  
18 taxpayers, and if nothing else, just the perception that this  
19 isn't really being handled well is, in fact, a deficit.

20 Therefore, I think it's necessary to make every  
21 effort just to improve the perception of what's going on in  
22 terms of reclamation. I'd like to suggest a couple of things.

23 First, new leasing should not be allowed until  
24 there's catch-up on the existing reclamation needed. This may  
25 sound like a drastic idea, but there are 20 years left in the



1 ground to mine, and it's a good opportunity to hire a lot of  
2 good-paying jobs in reclaiming that resource.

3 The bonding requirements should be reviewed to ensure  
4 there's adequate funds. The very concept of self-bonding  
5 provides absolutely no confidence to the public that the  
6 reclamation will actually be completed. Schedule bond  
7 releases to be set up so that there's always plenty of  
8 financial incentive to pursue reclamation to the very end.

9 There should also be a requirement that reclamation  
10 planning begin in earnest at the time of the lease and even  
11 designs of the extraction be considered in a way that  
12 reclamation can begin as soon as any portion of the lease is  
13 completed, not waiting for the whole lease to complete and  
14 then start a phase.

15 I would just like to point out that we do know coal  
16 is declining, and the idea that, if there's some issue that  
17 comes up that comes back on the taxpayers to pay for, it seems  
18 kind of like adding insult to injury to say, "We're going to  
19 have to pay for that, that oversight that was missed," when  
20 that money could have just as easily been spent on planning  
21 for other things; for example, finding exactly how coal  
22 country is going to find its place in a diversified energy  
23 future.

24 Thank you.

25 DAVID BATTIS: Thank you.

1           MICROPHONE NUMBER ONE: Hello. My name is Amanda  
2 Still. I'm a personal concerned citizen, but I'm also  
3 affiliated with the Sierra Club.

4           So what I want to say is that the mission statement  
5 of the BLM as taken from the 2014 posting of "Public Land  
6 Statistics" is "to manage and conserve the public lands for  
7 the use and enjoyment of present and future generations under  
8 a mandate of multiple use and sustained yield."

9           The coal industry is not sustainable. It is a known  
10 non-renewable resource which is bottoming out faster than  
11 anyone's expected, and that leaves us with many questions,  
12 doubt, instability and budget and hiring freezes all across  
13 the state.

14          The programmatic EIS fact sheet describes coal as a  
15 domestic energy resource that will continue to be viable for  
16 years to come. This is not mind-set we need to be in. It's  
17 true that coal has been invaluable in the progression of human  
18 innovation.

19          It's also true that the coal industry has provided  
20 steady and gainful employment to people for generations.  
21 However, that does not change the fact that they are. And the  
22 fact is that one day we will run out of coal.

23          The fact is that our collective consumption of coal  
24 and other fossil fuels has a directly measurable impact on our  
25 climate and the consequences of that are -- we can only begin

1 to fathom.

2 We place ourselves in danger to one degree or another  
3 when we stand up, but we place our children and grandchildren  
4 in even greater danger when we do not.

5 So I am here standing for my future child. I stand  
6 here for the children are already here who will be facing  
7 incredibly dire challenges as a result of the choices made by  
8 the people who come before me.

9 I stand here to say that fundamentally for the sake  
10 of our united future, we should not continue the practice of  
11 coal mining at all, and at the very least, we should be  
12 strenuously engaged in the pursuit of sound, alternative  
13 energy sources while we push to phase coal out.

14 And I do hear you, all of those who are fearful and  
15 infuriated at this stand because of the substantial losses  
16 that a move like this will incur. But what I offer in  
17 response is an answer provided by the leader of our free  
18 world, The POWER Plus Plan.

19 This initiative will fund from a diverse pool such as  
20 the Department of Labor's Dislocated Worker National Reserve  
21 and the Department of Commerce and the USDA's Rural Economic  
22 Development loan and grant programs among others.

23 The Dislocated Worker National Reserve alone has a  
24 budget of 20 million specifically, quote, to support workers  
25 dislocated from coal mines and coal field power plants. These

1 funds would go towards providing reemployment services, job  
2 training, and subsidize employment and more.

3           These programs not only put effort in to helping  
4 workers find new jobs, they're also designed with the  
5 intention of ensuring the health and retirement of coal miners  
6 and their families through legislative reform and the  
7 strengthening of pension plans.

8           This plan also discusses the legacy of abandoned mine  
9 land and implements the use of the unappropriated balance of  
10 the abandoned mine reclamation fund, a balance that, when  
11 distributed over the course of five years, will ultimately  
12 reach a sum of \$1 billion to reclaim abandoned coal mine lands  
13 and associated polluted water in a manner that promotes  
14 sustainable redevelopment in economically distressed coal  
15 country communities.

16           I'm almost finished.

17           With those already present support networks, I  
18 implore the State of Wyoming as a whole to recognize our dire  
19 need for change and to act on it. Our future depends on the  
20 actions we take today.

21           Thank you for your time.

22           DAVID BATTS: Thank you.

23           MICROPHONE NUMBER ONE: Greetings. I'm Jacqueline  
24 Ziegler, and I'm a Unitarian Universal minister. I'm a  
25 concerned citizen, and I'm affiliated also with the Sierra

1 Club.

2 I address the socioeconomic impact of any change to  
3 the federal coal leasing program. The federal coal leasing  
4 program is responsible for enormous amounts of carbon  
5 pollution that feeds climate change which is threatening the  
6 environment and the quality of existence of all life on this  
7 beautiful, blue-green plant Earth, our home.

8 As we have heard and seen already, western  
9 communities and elsewhere in the world are already  
10 experiencing increased severe weather including droughts and  
11 reduced snow pack.

12 Scientists whose concern is the quality of all life  
13 on Earth now and for future generations lift up, tell us to  
14 prevent truly catastrophic climate change, we must mine and  
15 burn less coal and we need to immediately begin an orderly  
16 transition -- emphasis on transition -- away from using coal  
17 and, I must say, other fossil fuels.

18 Any transition to a future that uses clean energy  
19 must include strong support for workers and families who are  
20 most affected by the downturn in coal production here in  
21 Wyoming. A reformed coal leasing program must include  
22 investments to future or support workers' transitions to  
23 different economic opportunities, different careers.

24 Royalties from future mining should be tied to job  
25 training and other support programs for workers so that we can

1 ensure a fair and just transition away from the fossil fuels.  
2 A fair and just transition to people means affected workers,  
3 their unions, and communities, our equal partners in a  
4 well-planned, carefully negotiated and managed transition from  
5 fossil fuels to clean energy.

6 A just transition brings good-paying job  
7 opportunities for those traditionally left behind, and it will  
8 help the entire State of Wyoming diversify its economy for a  
9 more stable economic future.

10 Workers' pensions, health benefits must be preserved  
11 for residents of affected communities, who should see the  
12 right of first employment for any jobs that are created by  
13 plant decommissioning or site reclamation.

14 Workers must be provided education and training for  
15 industries and with similar pay and benefits.

16 People, I know it won't be easy, but by working  
17 together, we can make this transition possible. All across  
18 our nation, environmentalists, unions, workers, and religious  
19 people are coming together to advocate for investments to  
20 support a just transition and policies that keep workers, coal  
21 workers in particular, from being left behind.

22 I am optimistic that a transition can happen that  
23 will provide for people who lose their livelihoods related to  
24 transitions away from coal mining and the burning of fuel.

25 I invite you to read House Bill 4456 called the

1 reclamation or Reclaim Act sponsored by West Virginia state --  
2 House Representative "Hal" Rogers, and it will give you  
3 information about moneys and programs available to help you.

4 DAVID BATTS: Thank you.

5 MICROPHONE NUMBER ONE: Thank you for the  
6 opportunity to provide comments today. I'm Norine Kasperik, a  
7 Wyoming Representative, and I represent the heart of coal in  
8 Gillette, Wyoming.

9 The proposed Department of Interior rule change is a  
10 classic bate-and-switch plan designed to curtail production  
11 rather than benefit taxpayers. Opponents of fossil fuel  
12 development would have you believe change is necessary. This  
13 proposal is not about maximizing revenue for taxpayers. It's  
14 about cutting off production of federal coal from Wyoming and  
15 other states.

16 The anti-fossil fuel crowd regularly invokes the same  
17 tired argument at a failed attempt to prove that producers are  
18 not paying their fair share to taxpayers and should,  
19 therefore, have their taxes, royalties, and leases raised.

20 The fallacy of this argument should be noted. Those  
21 opposed want the taxpayers to receive no benefit from  
22 America's resources. The current system provides stable and  
23 very significant tax and royalty revenue.

24 In Wyoming the companies pay to have federal coal,  
25 pay royalties on that coal when it is produced, federal income

1 taxes on any profits as well as severance, ad valorem, sales  
2 tax, and other fees. Federal, state, and local governments  
3 receive over 1.2 billion a year from coal production in  
4 Wyoming alone.

5 Wyoming produces approximately 40 percent of  
6 America's coal, much of which is federally leased. Producers  
7 operating instate have been good corporate citizens, and  
8 Wyoming's share goes directly to building schools as well as  
9 other essential services. The claim that the taxpayers are in  
10 any way short-changed is misleading at best.

11 Coal provides a stable, reliable mix of electricity  
12 resources nationwide. In addition, much of the rest of the  
13 country benefits from the affordable, reliable electricity  
14 made possible by Wyoming coal.

15 And there are emerging energy markets in the nation  
16 that are desperate for the cheap, clean, affordable coal that  
17 we produce in our state. We are proud of our resources and  
18 utilize them responsibly.

19 The extreme environmental movement will stop at  
20 nothing to advance this anti-fossil fuel agenda including  
21 advocating for an obscure office within the Department of the  
22 Interior to rewrite major energy policy rather than have the  
23 critical issues debated and decided by our elected officials  
24 in Congress.

25 There is no evidence whatsoever to support claims



1 that the current rules for royalty valuation don't work or  
2 that the American people are not getting their fair value.  
3 There is a great deal of evidence that the extremists are  
4 prepared to hoodwink the American people, manipulate the  
5 media, subvert the law to keep coal in the ground.  
6 Regretfully, they're both a disservice to America's economy  
7 and energy security.

8 In closing, I'd like to say that I am really proud to  
9 be the granddaughter, daughter, and wife of a coal miner.  
10 It's been my American dream and my family's American dream.  
11 And it needs to be that dream for all of these families for  
12 decades to come. Thank you.

13 (Applause.)

14 DAVID BATTS: Thank you.

15 MICROPHONE NUMBER ONE: Good afternoon. I am Wyoming  
16 Senator Jim Anderson from Senate District 28 right here in  
17 Casper, Wyoming. I am a third generation Wyoming native. I  
18 got out of the army in 1970, came back to Wyoming and went to  
19 work for a large heavy equipment dealer in Wyoming.

20 So I saw the start of every mine that we're talking  
21 about today in the coal mines, starting with Belle Ayr was the  
22 first one that had some issues, and they overcame those.

23 The DOE was formed in that time by the current  
24 president at that time to make us energy independent. One of  
25 the things that they did and worked on was producing federal

1 coal. So there was massive, massive investments by the energy  
2 companies, by the railroads to produce that product so we  
3 could become energy independent.

4 And now today, we're standing here talking about  
5 eliminating one of our energy sources. It seems kind of  
6 funny. Those mines were built to be world-class mines which  
7 are 20 billion tons per year production. All of these were  
8 built that way because we knew there was more need for coal in  
9 the U.S. and the world.

10 One other speaker mentioned the service ratio, the  
11 service-to-miner ratio that's three to one. So those 600  
12 miners that were laid off now affect the suppliers of which I  
13 worked for for 40 years. That's three to one, so that's 1,800  
14 that are going to be laid off in the service sector to those  
15 mines. So it is not just the miners that are being affected.  
16 It's everybody in the State of Wyoming.

17 Currently, royalty rates are above market, and an  
18 increase will only result in decreased production, decreased  
19 return on investment for taxpayers. That hurts schools,  
20 roads, infrastructure, hurts everybody in this state and the  
21 nation.

22 For the Powder River Basin in Wyoming, which produces  
23 over 80 percent of coal reserves on federal lands, the  
24 government receives almost 40 cents on every dollar of coal  
25 sold. That's almost as high as the highest taxation rate in

1 Norway which is 50 percent in the most socialist country in  
2 the world. That is a huge tax percentage, and it should be  
3 looked at as a good return to the government.

4 The current federal administration has put a  
5 moratorium on coal leasing, relying on arguments from groups  
6 that want no return to the taxpayer by keeping it in the  
7 ground. This strategy returns zero dollars to the federal and  
8 state governments. If this objective is to maximize the  
9 return on this asset, then a "keep it in the ground" strategy  
10 is absolutely wrong.

11 (Applause.)

12 DAVID BATTS: Thank you.

13 I'm going to get our next group up which will be  
14 31 to 35 to microphone number one.

15 As they're coming down, I'll turn it back over to  
16 microphone number two.

17 MICROPHONE NUMBER TWO: Thank you. My name is Jeremy  
18 Nichols, and I'm a climate energy program director for Wild  
19 Earth Guardians, and I reside in Golden, Colorado. Thank you  
20 for having us today and for listening to our all our concerns.

21 I think there was a comment earlier in the morning  
22 about this being an honest process, and I want to say we  
23 couldn't agree more because honesty is very important.

24 To that end, I want to express our honest belief that  
25 we do feel that the result of this reform effort needs to be

1 more coal being kept in the ground. We are facing a climate  
2 crisis, a global climate crisis right now. We have an  
3 enormous challenge just to keep global temperatures in check.

4 We're in the all-hands-on-deck era right now, and  
5 keeping as much fossil fuel in the ground as possible is key  
6 to eliminating greenhouse gas emissions and safeguarding our  
7 climate.

8 I also want to be honest, though, that I firmly  
9 believe that keeping coal in the ground shouldn't mean that  
10 people are just kicked down the street and communities are  
11 left hanging. I believe that this reform effort presents a  
12 once-in-a-generation opportunity to chart a just transition.

13 There's been a lot of talk about transition today,  
14 and I think that with the coal industry collapsing, things are  
15 not getting better. I think now is our moment to say we are  
16 going to chart a new path forward.

17 We are going to invest in communities and  
18 redevelopment, and we are going to help workers move to a more  
19 sustainable and prosperous profession.

20 The Interior Department can play a leading role in  
21 helping to make that happen, both in leading policy  
22 initiatives, shifting resources, and providing expertise to  
23 communities to aid them as a transition.

24 It's not easy. Coal has done a lot of good for this  
25 state. I don't deny that. I don't think any of us deny that,

1 but I think those days are gone. I think we can either let  
2 things continue to get worse or we can take the bull by the  
3 horns here and steer it in a better direction.

4 Our current generations and our future generations  
5 are really at stake here whether you're looking at the climate  
6 or you're looking at our economy.

7 We do support keeping it in the ground, but we  
8 support a just transition. That needs to be a part of that.  
9 So I hope that, as the Interior moves forward and analyzes the  
10 federal coal program, that it will recommend reforms that  
11 transition is paramount in that endeavor.

12 Thank you. I appreciate your time.

13 DAVID BATTIS: Thank you.

14 MICROPHONE NUMBER TWO: Good afternoon. My name is  
15 Representative Tim Stubson. I am giving my comments this  
16 afternoon on behalf of the Wyoming Legislature's Select  
17 Committee on Federal Natural Resource Management.

18 I appreciate the opportunity to come and visit with  
19 you today, but I do hope that this truly is a listening  
20 session because so many times from the state level, we feel  
21 like these speaking sessions, that we give our input and they  
22 are presented really to deaf ears.

23 I want to really present a couple of issues that I  
24 hope everyone keeps its eyes on as it moves through this  
25 process.

1 First, in the conduct of your programmatic EIS, you  
2 should move forward knowing that coal is an essential element  
3 to the economic health of our state and its people.

4 Prior to the recent downturn, Wyoming coal produced  
5 11 percent of Wyoming's gross state product. It employed  
6 about 7,000 people in good-paying jobs. In one year alone,  
7 2012, coal paid \$1.3 billion to the State of Wyoming, and  
8 those funds were used to build schools, educate our kids, to  
9 provide basic state services to people all across the State.

10 But it's important to remember it's not just an  
11 economic benefit to the State of Wyoming. It's an economic  
12 benefit to our nation.

13 Our economy relies upon cheap and available energy,  
14 and coal is an important critical element of that energy mix.  
15 Our federal government endangers our nation and its future  
16 economic security by turning its back on that available  
17 resource.

18 Secondly, I want you to keep in mind that, as you  
19 look at royalty rates, it's not just royalty rates. It's  
20 royalty rates combined with the bonus money, combined with the  
21 black lung excise tax, combined with AML, combined with  
22 severance, combined with county ad valorem.

23 When you look at those together -- and you've heard  
24 this figure before -- 39 cents of every dollar of coal  
25 produced in the State of Wyoming goes to government. You

1 cannot look at that figure and conclude that coal does not pay  
2 its fair share.

3 And, finally, the impact of raising royalty rates at  
4 this time, really even the impact of discussing the raising of  
5 royalty rates at this critical time -- you see what's  
6 happening in the coal industry right now -- causes instability  
7 in the coal markets. And so this instability promises to have  
8 an enormous negative effect on the State of Wyoming and really  
9 on the energy security of the United States.

10 Really, the bottom line is that in Wyoming coal is  
11 about people. And the BLM must and really has an obligation,  
12 as it moves forward in this process, to recognize that single  
13 critical fact. Thank you.

14 (Applause.)

15 DAVID BATTS: Thank you.

16 MICROPHONE NUMBER TWO: Hello. My name is John  
17 Bradley of Montana Wildlife Federation. A lot of people have  
18 claimed third, fourth, fifth generation. I'm not. I'm native  
19 to Montana, but I got here as quick as I could.

20 And I came to Montana for its wildland, its wild  
21 rivers, its abundant wildlife, and mining-related activities  
22 cause direct wildlife mortality while disturbing mountains and  
23 displacing wildlife.

24 Coal mining impacts the habitats of wildlife by  
25 polluting water sources and air with sulfide dioxide, nitrous

1 oxide, and toxic trace metals such a lead. Carbon pollution  
2 from burning of fossil fuel clearly presents impacts to  
3 wildlife.

4 Montanans are already experiencing destructive storms  
5 and floods, severe droughts, extreme wildfires and decreased  
6 snow pack as a result of burning fossil fuel. These events  
7 are projected to get even more intense if we continue to allow  
8 coal to be subsidized at taxpayer expense.

9 Public lands provide a place for everyone regardless  
10 of wealth and status to go to hunt, hike, fish and recreate.  
11 Every responsible outdoorsman knows to leave public land  
12 better than they found it. Hunters, anglers and backpackers  
13 clean up after themselves, and so should mining companies.

14 The current public land for coal mines is causing  
15 real problems for public lands, water, and wildlife. In  
16 Montana, North Dakota, and Wyoming, the public lands coal  
17 mining has stripped 450 square miles, but only 46 square miles  
18 have met the final reclamation requirements.

19 Having such reforms will help pay for the reclamation  
20 that should already be happening. Better public lands mean  
21 better hunting, fishing, and recreating opportunities, and  
22 this will help fulfill the BLM's multiuse sustained deal  
23 mandate.

24 Public lands sustain an outdoor recreation industry  
25 that contributes \$6.4 billion into the Montana state economy



1 and provides jobs to thousands of Montanans.

2 Montana Wildlife Federation believes that updating  
3 the royalty payment system is the best way to minimize further  
4 destruction of wildlife habitat and ensure the coal companies  
5 pay their fair share for mining our land. Thank you.

6 DAVID BATTS: Thank you.

7 MICROPHONE NUMBER TWO: (Wendy Barteaux.)

8 There is a loophole in the coal leasing rules that  
9 allows the creation of big coal. In 1990, the Powder River  
10 Basin Regional Coal Team consisting of federal agency  
11 representatives and representatives from the effected states  
12 decided that the Powder River Basin located in Wyoming and  
13 Montana is not a coal production region. And let me say that  
14 again. It is not a coal production region. That's really  
15 surprising to a lot of people.

16 The first word that comes to most people's minds in  
17 this state when you say Powder River Basin is coal, but  
18 because the Powder River Basin was not classified as a coal  
19 production region and neither were any of the other major coal  
20 producing regions or coal producing areas in the country, the  
21 BLM and the coal companies were able to skip steps in the coal  
22 leasing process designed to establish fair market value and  
23 competition, and coal companies were and are allowed to obtain  
24 leases simply by applying for them through a process called  
25 lease by application.

1           Because of the lease-by-application process, the coal  
2   companies have driven coal leasing. Subject to BLM approval,  
3   coal companies decide whether, where, and how much coal they  
4   want to lease and they decide the boundaries of the tracts  
5   they wish to lease, boundaries that are arguably designed to  
6   reduce competition.

7           Currently, as the result of the lease-by-application  
8   process, the BLM is grossly underselling coal leases. The  
9   States receive half the value of the leases. So underselling  
10   leases cheats both the federal government and the state of  
11   fair market value.

12           The State of Wyoming has lost millions, perhaps  
13   billions as a result of this loophole. So here are my  
14   suggestions for changes to the current coal leasing process.

15           If it hasn't been done already, get rid of the  
16   loophole called lease by application and any other loopholes  
17   that allow a lease of land with boundaries designed by the  
18   coal companies, talking gross under-valuation of the lease and  
19   the lack of competition.

20           Or make it so that lands that produce the majority of  
21   this nation's coal like the Powder River Basin, make it so  
22   they have to be considered coal production regions. They have  
23   to be given that designation so that the BLM and the coal  
24   companies have to follow the rules of coal leasing that are  
25   already in place.

1           Institute a minimum bid. Don't allow self-bonding  
2   and require coal companies to reclaim old and current leases  
3   before buying new leases. Promising to pay for reclamation of  
4   currently disturbed lands with future supposed profits  
5   constitutes a Ponzi scheme.

6           Only lease to companies that have a plan and a  
7   proven -- and the proven financial abilities to support their  
8   workers in case of a market tumble.

9           Only lease to companies that agree not to give their  
10   executives bonuses after declaring bankruptcy or indicate  
11   bankruptcy is unavoidable.

12           Many companies -- let me just finish this one thing.  
13   When considering the market value, consider all the taxes that  
14   are placed on coal, but also determine and add in the cost  
15   associated with burning that coal, the cost of climate, cost  
16   of health, the cost of other industries such as agriculture  
17   and tourism. Thank you.

18           (Applause.)

19           DAVID BATTS: Thank you.

20           MICROPHONE NUMBER TWO: Hi, I'm Christy Gerrits. I'm  
21   representing myself and the Powder River Basin Resource  
22   Council.

23           It's often said that electricity -- that coal is a  
24   very cheap source of power in generating electricity, and it  
25   may be that until you take into account the cost of climate

1 change.

2 I looked at the insurance agency to try and find  
3 something that was a neutral party in looking at how they do  
4 it. And Dr. Evan Mills, a staff scientist at Lawrence  
5 Berkeley National Laboratory published a report on how the  
6 insurance agencies are trying to respond to climate change,  
7 and I quote:

8 "There is a growing acknowledgement among  
9 insurers that the impact of climate change on  
10 future insured losses is likely to be profound.  
11 The chairman of Lloyd's of London has said that  
12 climate change is the number one issue for the  
13 massive insurance group.

14 "And Europe's largest insurer Allianz  
15 states that climate change stands to increase  
16 insured losses from extreme events in an average  
17 year by 37 percent within just a decade. Losses  
18 in a bad year could top \$1 trillion.

19 "Allstate says that climate change has  
20 prompted it to cancel or not renew policies in  
21 many Gulf Coast states, with recent hurricanes  
22 wiping out all of the profits that it had  
23 garnered in 75 years of selling homeowners  
24 insurance. The company has cut the number of  
25 homeowners policies in Florida from 1.2 million

1 to 400,000 with an ultimate target of no more  
2 than 100,000."

3 That is just one of many industries being affected by  
4 climate change.

5 Last week the level of CO2 in the atmosphere rose to  
6 407.5 parts per million. The historic average or the historic  
7 high was 208 -- 80 parts per million. This 407.5 parts per  
8 million is the highest level measured in over 800,000 years.

9 Coal-fired electric power plants were responsible  
10 for a quarter of the CO2 emitted by the U.S. In May [sic] 22,  
11 2016, 170 countries worldwide came together and signed the  
12 Paris climate change agreement, the largest group of countries  
13 to ever agree on any international issue.

14 These countries agreed with virtually all scientists  
15 that a climate change is an imminent threat to life on earth  
16 through the disruption of climate. Rising sea levels, ocean  
17 acidification, more severe weather, including protracted  
18 droughts and extended wildfire season.

19 To date in the U.S., close to one-and-a-half million  
20 acres have already burned, and the 10-year average for up to  
21 this date is only one million. When deciding (inaudible) coal  
22 mines and (inaudible) we need to take into account the cost of  
23 climate change which we are probably starting to experience.

24 Thank you very much.

25 DAVID BATTIS: Thank you.

1 I apologize to our group 31 through 35. We're going  
2 to take a pause for a moment. I'm not going to call down our  
3 next group yet. I'm going to turn it back over to Mary Jo to  
4 make an introduction.

5 Mary Jo.

6 MARY JO RUGWELL: It's my pleasure to introduce the  
7 governor of this great State of Wyoming, Governor Matt Mead.

8 (Applause.)

9 GOVERNOR MATT MEAD: Thank you, Mary Jo. Thank you  
10 all for the opportunity to have a few comments. Just hearing  
11 a few of the speakers before me, Mary Jo, I just want to thank  
12 you and your team. I think -- I hope you're going to get some  
13 donut breaks, but we thank you for your work, and we  
14 appreciate you listening to us.

15 (Applause.)

16 I would give a special thanks to all the miners that  
17 are here, to the coal companies, and the supporters of miners.  
18 I appreciate that I happened to be Casper and have a few  
19 moments for comments.

20 I do wish that some of these listening sessions would  
21 be in areas that are impacted, for example, Campbell County or  
22 Sweetwater County. And we've made that request and hopefully  
23 that can come about.

24 In addition to my remarks today, I will be submitting  
25 written comments before the deadline. And last year on

1 August 13th, I appeared in Gillette for a public listening  
2 session, and my comments are a matter of public record.

3 I commented on the federal coal lease moratorium  
4 announced in January. Then, I said this moratorium will hurt  
5 miners. It will hurt all businesses that support coal mining.  
6 It will take away the competitive advantage coal provides for  
7 every U.S. citizen.

8 And if there was a serious attempt to address the  
9 President's climate change concern, the Obama Administration  
10 should be investing, as Wyoming has invested, to make real  
11 improvements in carbon capture, sequestration, and utilization  
12 technology.

13 Last month on April 27th, I spoke at a groundbreaking  
14 ceremony at the Integrated Test Center at Dry Fork Station in  
15 Gillette, Wyoming. That center is an investment by Wyoming  
16 and great private partners to advance coal technologies. It  
17 will benefit not only the industry but a great many people  
18 everywhere who rely on coal for their energy needs.

19 What we see now is federal regulators through one  
20 action after another, including this proposed programmatic  
21 EIS, dragging down the whole industry. States like Wyoming,  
22 on the other hand, are striving to keep coal as part of  
23 America's energy mix, find new processes, uses, and markets  
24 for coal and capture and create products with CO2 and keep an  
25 important American industry alive.

1           The coal we mine in Wyoming is a valuable resource.  
2   The electricity produced from this coal is made right here in  
3   America, used in America, and benefits America. We can say  
4   that about very few things today.

5           Wyoming is number one in coal production in the U.S.  
6   and has been for years. Wyoming coal provides one third of  
7   all electricity that's generated in the nation. A whole range  
8   of some of the mined federal coal comes from Wyoming, and the  
9   Powder River Basin has estimated 162 billion tons of  
10   recoverable coal, most of it on federal land.

11          Wyoming has the biggest stake in the federal coal  
12   program and any changes made to it, but we also know that  
13   everyone benefits from Wyoming-mined coal.

14          When added up, coal companies pay federal mineral  
15   royalties, Wyoming severance tax, abandoned mine lands, black  
16   lung tax, ad valorem property, ad valorem production, and  
17   lease bonus application. This industry has an effective tax  
18   rate of 40 percent. All of these revenue streams go to the  
19   public in various ways.

20          Progress should be made for the future of coal, and a  
21   three-year programmatic EIS process is not forward progress.  
22   The fact is coal has helped build our country and made it what  
23   it is today.

24          In the 19th century, Wyoming coal contributed to the  
25   settlement of the West. It was used in steam locomotives.



1 Wyoming coal contributed to American manufacturing. It  
2 contributed to the war effort, fuelling factories that  
3 provided armaments and supplies for our troops in  
4 World War II.

5 In May of 2003, Wyoming mined its ten-billionth ton  
6 of coal. In 2015, 328-plus million tons of coal was produced  
7 in Campbell County from 11 mines.

8 In 2014 almost 88 percent of the net electricity  
9 generation in Wyoming came from coal. So it's no coincidence  
10 that Wyoming had the third lowest average electricity price of  
11 any state in 2014.

12 It is estimated that each coal industry job traced  
13 the need for three other jobs. The coal industry helps  
14 strengthen our communities and our economy. It benefits not  
15 only energy consumers but all those touched by the revenues  
16 generated for towns, the state and federal government.

17 Coal has supported our schools, community colleges,  
18 the University of Wyoming, roads, and many other services at  
19 every level. We in Wyoming appreciate the great resource and  
20 those who work to mine and produce it, and today again we say  
21 thank you to all of them.

22 I recognize that, just hearing from the previous  
23 speakers and certainly following the debate for many years now  
24 about the issue of climate change, that President Obama  
25 believes, as do many others, that climate change is a threat

1 and, in fact, may be, according to the Administration, a  
2 national security threat and maybe the greatest national  
3 security threat.

4 Let us assume today that the President and those who  
5 believe that it is the national security threat or the  
6 greatest national security we face. Let us assume that, that  
7 that is fact.

8 The question is, if that is true, if it's the  
9 greatest national security threat, why are we not treating it  
10 as such? Where is the investment? Why are we not investing  
11 dollars in coal? We're investing in renewables.

12 What do you think about World War II and the national  
13 security threat? Think about ISIS as the national security  
14 threat. Think about the money. Think about the effort of  
15 that. If you believe that climate change is the biggest  
16 global threat and a national security, why are we not seeing  
17 improvements?

18 In the past when this country was facing national  
19 security issues, we put all hands on deck. We make it a  
20 national priority.

21 If this is true with climate change, why aren't we  
22 having the same sort of response? Instead of having the  
23 response, we are saying let's put our heads in the sand and  
24 ignore the fact that you can cut out all coal in this country,  
25 shut it completely down, and coal is still going to be the

1 biggest player or certainly at the top of the biggest player  
2 in providing electricity across the planet.

3           If it's a national security threat, let's put  
4 resources behind it. If it's a national security threat,  
5 rather than leaving the responsibility to the rest of the  
6 world to figure out the solutions, let's have the solutions  
7 here. That is my belief, and that is what we're trying to do  
8 in Wyoming. We are putting our money, our dollars into making  
9 coal as best as it can be.

10           This administration is chasing an unrealistic vision  
11 of a world without coal. Instead, they should pursue a  
12 realistic vision that recognizes coal's place in the world and  
13 should invest to make it better.

14           In Wyoming, we recognize coal's place. We're  
15 investing to make it better at the Dry Fork Station, at the  
16 University of Wyoming and beyond. We continue to invite the  
17 federal government to join us in this effort.

18           A three-year, and I think probably longer,  
19 programmatic EIS is unreasonable. It looks just like another  
20 way to stop coal mining in this country. I have trouble, as  
21 I'm sure many of you do, explaining this to all the workers  
22 who will lose their jobs directly and indirectly. Try to  
23 explain that to them.

24           Try to explain that to the impacted communities and  
25 to the millions of people around America who rely on coal

1 energy for their daily needs of this attempt to shut coal  
2 mining down.

3 Try to explain that to the millions of Americans  
4 interested in energy security, also the homeland security that  
5 comes from coal. Try to explain it to the environmentalists  
6 who think climate change is the biggest threat facing our  
7 country and the planet.

8 Why are we not taking a lead role in solving this  
9 problem in a realistic world? These things cannot be  
10 explained. It's not justifiable.

11 If the BLM attempts to continue the lengthy, nebulous  
12 PEIS process, it should continue to lease federal coal and  
13 allow coal mining operations on federal land to proceed. To  
14 do otherwise only exposes further the political motivation  
15 behind the process and other anti-coal measures.

16 Coal supports Wyoming. Wyoming supports coal. Coal  
17 supports the United States. The United States should too also  
18 support coal.

19 Mary Jo, thank you for the time.

20 (Applause.)

21 DAVID BATTS: We're going to continue on with the  
22 public speaking portion. We're going to call down group 36 to  
23 40 down here. This will be the last group we go through until  
24 we take our break. So if you're numbers 36 to 40, please come  
25 on down to microphone number two.

1           We'll begin back here at microphone number one.

2           MICROPHONE NUMBER ONE:   Good afternoon.   I'm Sherry  
3   Shelley.   I live in Riverton, and my comments today represent  
4   very deeply held personal values, and I'm also a proud member  
5   of the Sierra Club.

6           I was born and raised in Wyoming and, following  
7   college, deliberately chose to come back to this state to  
8   raise my family because I deeply value our clean air and  
9   water, our incredible landscape and diverse wildlife.

10          So I'm here today to talk about the devastating  
11   effects of the impacts of coal mining on our national  
12   environment.   Much of the publicly owned coal that is mined in  
13   Wyoming through the BLM leasing program lies under grasslands,  
14   ranches, wildlife habitat and open spaces.

15          But even though we have decent reclamation laws here  
16   in Wyoming, it turns out that coal companies can get away from  
17   not properly restoring the lands that they have torn apart  
18   with their strip mining until long after mining moves into new  
19   areas.

20          And since under the current system they are permitted  
21   to self-bond rather than paying for real insurance that would  
22   cover the cost of reclaiming these lands after they've moved  
23   on, there's no assurance that reclamation will occur at all  
24   when companies go bankrupt as we're seeing today.

25          There is a huge risk that taxpayers will end up

1 footing the bill amounting to millions and millions of dollars  
2 for cleanup. Coal companies should be required to clean up  
3 the land they have already mined before they get new leases  
4 and they absolutely should not be allowed to self-bond.

5 Out of a total of 450 square miles of mine land  
6 across Wyoming, Montana, and North Dakota, only 46 square  
7 miles have been fully reclaimed.

8 By cheaply leasing public coal to the big coal  
9 companies, not requiring timely reclamation, and not requiring  
10 that companies have adequate reclamation insurance, we are  
11 missing opportunities to use these spaces to support existing  
12 and emerging industries in the West including agriculture and  
13 ranching, tourism, and clean energy.

14 Timely reclamation of mine landscape benefits our  
15 western communities and reopens lands for ranching, wildlife,  
16 and recreation. It creates good job opportunities, and it  
17 reduces the risk that the public will have to pay for  
18 reclamation if coal companies fail and insurance bonds are  
19 inadequate.

20 By reforming the federal coal leasing program to  
21 disallow self-bonding and require timely and complete  
22 reclamation, we can protect and sustain our land, water, and  
23 wildlife instead of creating sacrifice zones for a resource  
24 that is less and less economically viable with every passing  
25 day. Thank you very much.

1           DAVID BATTS: Thank you. We have our other speaker,  
2 just for our folks with the cameras, is going to be over to my  
3 left is our speaker. And we're going to need to have a remote  
4 microphone please.

5           MICROPHONE NUMBER ONE: I'd like to take advantage of  
6 my temporary handicap here so I can turn and face the  
7 congregation.

8           My name is the Reverend Sandra Voelker. I am an  
9 Episcopal priest, used to preaching to the congregation  
10 although I know that, in many cases today, I'm certainly not  
11 preaching to the choir.

12           Now, there's a great deal of passion on both sides of  
13 this argument, but arguments are seldom won by passion alone.  
14 You've heard a lot of statistics and a lot of economic  
15 rationale. Please bear with me if I add a few more for you.

16           You're all familiar with severance taxes, and Wyoming  
17 collects them on energy production, and they have fallen from  
18 nearly 960 million in fiscal year 2014 to an estimated 625  
19 million in the current fiscal year. That's a decline of about  
20 35 percent in one year. One year.

21           From December 2014 to December 2015, Wyoming lost  
22 5,400 jobs in the mining and natural resource sector. This is  
23 all according to the U.S. Bureau of Labor Statistics.

24           Now, I'm going to talk about externalities. For  
25 those of you who don't speak "economicalese," that means any

1 costs that are not incorporated into the fixed and variable  
2 costs of any business enterprise. It's obvious. A lot of the  
3 externalities that come from the coal companies, but one thing  
4 that I haven't heard mentioned so much is the impact on the  
5 tourism industry.

6 Tourism is the second greatest income producer in  
7 Wyoming. People do not come to Wyoming to see coal mines.  
8 They come to see the beauty of our natural resources, which I  
9 think sometimes we have become so used to we don't even see  
10 them. So we don't care to protect them.

11 Another externality that I want to mention comes from  
12 an article by Bloomberg Press which headed its article on coal  
13 mining as "Doomsday Finally Comes to the Wyoming High-Flying  
14 Coal Country."

15 Last month, just last month, Arch Coal -- Arch Coal  
16 let go of 200 miners. Peabody let go of about 235.

17 And perhaps the troubling practice of Peabody and  
18 most other bankrupted or bankrupting coal companies is  
19 self-bonding. You've heard that mentioned before. That is  
20 promising, only promising to reclaim the land destroyed by the  
21 mining operations rather than posting bonds up front.

22 I'll be done in just a minute.

23 Okay. To summarize, the industry of fossil fuel  
24 extraction itself is rapidly becoming a fossil. Any economic  
25 argument that advocates economic benefit from such activities



1 is therefore necessarily short-term.

2 We're used to thinking of fossils as benign and  
3 sometimes beautiful relics of the past. Coal mining is a  
4 fossil that is not benign and certainly is not beautiful.

5 Thank you for this opportunity.

6 DAVID BATTS: Thank you.

7 MICROPHONE NUMBER ONE: My name is Bob Strayer. I'm  
8 from Laramie, Wyoming, and I'm a father and a grandfather of  
9 four grandchildren, now the youngest being Sadie Marie who is  
10 six months old, quite proud of her.

11 I want to thank you for the opportunity to speak at  
12 the Interior Department's long-awaited and needed review of  
13 coal mining and public lands.

14 I'm going to say in response to the Governor's  
15 comment about why isn't it being treated -- climate change  
16 being treated as a national security threat, the reason for  
17 that is there is so much climate denial and so much power of  
18 corporations in our country that interferes with any activity  
19 or any attempt to address climate change.

20 Fortunately, I think the Interior Department is a  
21 part of addressing that problem rather than denying it. Coal  
22 has made unbelievable contributions to Wyoming. I think we  
23 all recognize that -- schools, infrastructure.

24 I used to live in Gillette. I know all the resources  
25 that they have up there. They're wonderful, and it's

1     unfortunate that the rest of the state has not been able to  
2     benefit as Gillette has from some of that.

3             But this is a time of transition, and I think it's a  
4     cruel deceit on the part of politicians whether it's at the  
5     state or on the federal level to mislead people into thinking  
6     that things are not going to be changing -- changing and  
7     specifically in the energy we use in this country and  
8     primarily I'm talking about coal.

9             It's one of the dirtiest sources of pollution that we  
10    use for energy. There's no question about that. And  
11    95 percent of the scientists in the world plus are convinced  
12    that the climate is changing, is warming. And the increase in  
13    CO2 is a major cause in that, and that's coming from human use  
14    of carbon fuels. So there's no question about that.

15            What I wonder about, you know, for the Interior  
16    Department, BLM in consideration of the costs and the impacts  
17    on the environment and the people of this country and world,  
18    for that matter, is, you know, what is Sadie Marie's life  
19    going to be like in 20, 30, 40 years? She's six months old  
20    now.

21            What is the cost -- what kind of a legacy are we  
22    leaving for this generation? You know, we're so quick to  
23    think about the immediate profits. That's what corporations  
24    operate on. They don't care to think too far ahead because  
25    their stockholders need their money right away.

1           You know, I think it's time that we start  
2     considering, you know, future generations and how this is all  
3     going to end up with them. And clearly, unless we make some  
4     dramatic changes in use of carbon fuels, it's going to be  
5     increasingly worse. Thank you.

6           DAVID BATTS: Thank you.

7           MICROPHONE NUMBER ONE: I'm Kim Wilbert, lucky enough  
8     to be a life-long resident of Wyoming, and I'm currently  
9     serving as the chapter chair for the Wyoming chapter of the  
10    Sierra Club.

11           I want to thank the Department of Interior for  
12    initiating this review of the BLM coal leasing program and for  
13    hearing my testimony today about how new rules for coal  
14    leasing should be crafted. I have four areas of concern that  
15    I ask the department to address in the new coal leasing  
16    program.

17           First, the new program must address the tremendous  
18    costs of coal mining on federal lands in terms of climate  
19    change.

20           Second, the rule has to be written to not allow coal  
21    corporations to self-bond their future mine reclamation costs.

22           Third, the new coal leasing program must include  
23    measures to offset the loss of economic opportunities for  
24    people and communities most affected by the transition away  
25    from coal.

1           Lastly, the new coal leasing program must create  
2   transparency, eliminate tax loopholes, and allow the owners of  
3   these public resources full access to public -- to coal  
4   leasing processes and transactions.

5           Coal lease terms must include the cost to our whole  
6   planet of adding that carbon to our atmosphere. The burning  
7   of federally owned coal is a huge contributor to the  
8   ever-rising carbon dioxide of atmosphere.

9           The tremendous future costs of dealing with climate  
10   change must be accounted for when the taxpayers of this  
11   country sell their coal. Most of the publicly owned coal  
12   mined in Wyoming through the BLM federal leasing program lies  
13   under the grasslands, ranches, and wildlife habitat of  
14   Wyoming.

15           Many of us, myself included, chose Wyoming as our  
16   home because of our beautiful landscapes and diverse wildlife.  
17   Unfortunately, coal companies have been permitted to self-bond  
18   rather than paying for real insurance that would cover  
19   reclamation costs after mining was complete, which now means  
20   that taxpayers will likely have to pay hundreds of millions of  
21   dollars to restore these mine lands to a usable condition for  
22   wildlife and ranching.

23           The new program must include money sources to help  
24   miners and communities dependent on coal mines to transition  
25   away from coal. We must make these corporations be

1 responsible community actors and make whole these people that  
2 have worked to create the corporate profits from this publicly  
3 owned resource.

4           The current coal leasing system allows the mining  
5 companies to mine incredibly cheap coal and then take  
6 advantage of the tax loopholes. The new program should have  
7 transparency so the taxpayer groups may keep the citizens  
8 informed about how the valuable resource is being sold so that  
9 the public to whom this coal belongs can truly be involved  
10 with those sales. Thank you.

11           (Applause.)

12           DAVID BATTS: Thank you.

13           MICROPHONE NUMBER ONE: Good afternoon. My name is  
14 Audrey Wagner. I live in Billings, Montana in the south side,  
15 310 35th. I work as a substitute teacher for school district  
16 number two. I want to thank you for being here. This is not  
17 easy. Good luck with your decisions that you're going to have  
18 to make.

19           The outdated federal coal program is in need of  
20 significant reform, but that is then, and this is now. We can  
21 rail against change. We can reminisce what life used to be  
22 like. We can try to go back to what we know and what is  
23 comfortable, but what are we going to do now?

24           Today our energy challenges and our sources of  
25 domestic power are very different from what they have been.

1 How are we going to take care of our people in the changes and  
2 the decisions that you are hearing about this today?

3 The Bureau of Land Management must update the program  
4 to ensure a fair return to the American public. I have to  
5 give credit to Secretary Sally Jewell for directing that the  
6 Bureau of Land Management should issue guidance clarifying  
7 that exchanges should also protect private service owners.

8 Therefore, I am implore you to consider what will  
9 bring us, the United States, the world even, the greatest good  
10 for the greatest number of our people.

11 And now, I've got a minute left. I will depart from  
12 my written remarks. The governor threw down a gauntlet to us,  
13 and I pick that gauntlet up and say, respectfully, suggest  
14 that he not -- that he not put all his eggs in one basket.

15 I thank you for your time.

16 DAVID BATTS: Thank you. So we're going to wrap up  
17 before taking a break with our last group. We are missing  
18 comment card numbers 36 and 38. If you have those two speaker  
19 cards and would like to make a comment, please come on down.  
20 Otherwise, we will just proceed with the two gentleman we  
21 have.

22 MICROPHONE NUMBER TWO: Hey, thanks for coming out.  
23 We appreciate you hearing us. My name is Karl Lybrand. I  
24 work for Cloud Peak Energy.

25 I grew up in a world of abject poverty, squalor. I'm

1 well acquainted with the trust. It's a ten-year trust. As  
2 graphic as they are, movies like (inaudible) don't come close,  
3 straight up.

4 I have two children. My son is 21. He's pre-law.  
5 My daughter is 12. She's in middle school. They have no  
6 understanding of the world I grew up in. I think that's  
7 enough. Thank you.

8 (Applause.)

9 DAVID BATTS: Thank you.

10 MICROPHONE NUMBER TWO: Good afternoon. My name is  
11 Bob Rees. I'm the executive director for the Association of  
12 Northwest Steelheaders in Milwaukie, Oregon, and a 20-year  
13 veteran professional fishing guide in the state of Oregon as  
14 well as Alaska.

15 Our association is a 56-year old entity that  
16 represents 1,600 members that collectively contribute 30,000  
17 volunteer hours annually to the recovery of wild salmon. We  
18 are deeply invested in our region's unique and iconic species  
19 of fish and wildlife that the Northwest sportsman has been  
20 pursuing for decades.

21 We plan on handing down to our children and to our  
22 grandchildren healthy land and water ecosystems that produce  
23 abundant fish and wildlife for our families and our citizens.

24 When developing the EIS on BLM's coal leasing  
25 program, we ask that you take into account the true cost of

1 coal including the consumption of this fossil fuel on ocean  
2 acidification.

3 The shellfish on the Pacific Coast are our "canary in  
4 a coal mine," and our Pacific shellfish are on the brink of a  
5 major disaster.

6 The Whiskey Creek Shellfish Hatchery on Netarts Bay,  
7 our state's cleanest estuary, has recently invested hundreds  
8 of thousands of dollars in water quality equipment just to  
9 ensure that their oyster juveniles survive. Prior to the  
10 water quality equipment, they were losing up to 80 percent of  
11 their juvenile oysters that fuel a multi-million dollar  
12 industry on the Pacific Coast. That water quality equipment  
13 deals with ocean acidification.

14 The Dungeness Crab Fishery on the Pacific Coast is  
15 worth million of dollars. The pacific shrimp harvest this  
16 year has closed off the Oregon coast. We have serious  
17 deterioration of the plankton that feeds our juvenile salmon  
18 as well as our forage fish.

19 And probably most alarming is that now we're  
20 realizing ocean acidification from the effects of fossil fuel  
21 consumption 30 years ago, and we've more than tripled our  
22 consumption since then.

23 We also need to take into account the chemical  
24 reaction that takes place from the coal dust that's left along  
25 our 150-mile drain system along the Columbia River affecting



1 the chemical makeup of the waters that our salmon swim in.

2 And, finally, climate change is real. It is here.

3 It is intensifying every year. We're just coming off a major

4 El Nino warm-water event as well as a warm-water anomaly in

5 the Gulf of Alaska that will have impact on our multi-million

6 dollar salmon fisheries for generations to come.

7 Thank you.

8 DAVID BATTS: Thank you.

9 Okay. It is 1:00 o'clock. We're going to take a

10 30-minute break. We will start promptly at 1:30. Group

11 number 41 through 45 will be speaking first. So if you have

12 those cards, you're welcome to come down here and sit here at

13 1:30.

14 Thank you all for your attention, and thank you for

15 all your comments.

16 (A lunch break was taken 1:00 p.m. until

17 1:32 p.m.)

18 DAVID BATTS: Let's get started again. If folks

19 would come back in and take their seats.

20 Okay. We have another introduction we're going make

21 briefly, and then we'll get over to our panel. Thank you all

22 for being here and seated right away.

23 I'm going to turn it back over to Mary Jo.

24 MARY JO RUGWELL: Thank you everyone for coming back

25 after lunch. I would like to introduce our Deputy Director

1 Linda Lance from the Washington office. She's our deputy  
2 director of policy.

3 So Linda.

4 LINDA LANCE: Oh, thanks. I'm just going to take a  
5 few minutes because I want to get back to hearing from you. I  
6 just wanted to let you know how grateful we all are that  
7 you're here taking the time to speak with us and tell us what  
8 you think about all this.

9 And also tell you how very disappointed I am that the  
10 airlines and the weather conspired to keep me from here  
11 yesterday. So I got up at 4:00 a.m. this morning, and this is  
12 the earliest I could get here.

13 I'm just so sorry that I missed the morning. I'm  
14 really glad that you all are still here, that I can hear from  
15 some of you this afternoon.

16 The most important thing is we take this  
17 responsibility with respect to the coal program very, very  
18 seriously. As I'm sure you can see from the documents that  
19 have already been put out, there are quite a broad range of  
20 issues that have been laid on the table.

21 We're going to do our best to look at every single  
22 one that anyone thinks is a valuable issue, and we're going to  
23 be on the ground with the best data we can get.

24 So you guys are a big part of that. We can't do it  
25 without you, and we appreciate so much your time and your

1 interest in all of this and especially being present in  
2 person. It really means a lot. There is no substitute for  
3 that.

4 So, again, I apologize for missing the morning but  
5 thank you so much for being with us, and I look forward to  
6 working with you as we go through this project.

7 Thanks again.

8 DAVID BATTS: Okay. Thank you, Linda.

9 So we have group 41 through 45 over here on  
10 microphone number one. If we could get group 46 through 50,  
11 if you want to queue up at the microphone number two, we'll  
12 get you registered.

13 And microphone number one.

14 MICROPHONE NUMBER ONE: Thank you. Good afternoon.  
15 I'm Keith Williams, president of western operations with Arch  
16 Coal.

17 In terms of the world's coal reserves, America is the  
18 energy envy of the rest of the nation, and the vast majority  
19 of those reserves are located on public land here in the West.

20 America has made excellent use of these reserves in  
21 recent decades, generating millions of dollars in revenues for  
22 federal and state agencies, providing livelihoods for  
23 thousands of families and delivering affordable energy.

24 Given all of that, the goal of this project says it  
25 should be to keep the federal coal program functioning at a

1 high level and to ensure the coal from public lands maintains  
2 it's central place in the U.S. energy mix.

3 The Mineral Leasing Act is subtitled an act to  
4 promote the mining of coal and requires the department to  
5 achieve the maximum economic recovery of coal on federal  
6 lands.

7 As you know, the single biggest source of federal  
8 coal is the Powder River Basin in Wyoming where Thunder  
9 Basin's mines are located. The PRB royalties, taxes, and fees  
10 approach 40 percent of the selling price of the product. Few  
11 industries anywhere generate such a high percentage of value.

12 It's hard to see how anyone could argue that  
13 40 percent is not an exceptional return for the American  
14 public, and arguments to the contrary are disingenuous, as you  
15 well know.

16 If we're being candid, we'll acknowledge that these  
17 hearings were precipitated by a small but vocal group that  
18 want to ensure that public coal and, in fact, all coal is left  
19 in the ground. They don't care whether they achieve that goal  
20 through a moratorium on future leasing and hiking the royalty  
21 rates or some kind of carbon fee, whatever it takes to  
22 accomplish their desired outcome is fine.

23 But let's face it, the vast majority of Americans  
24 would view a 40 percent return and the associated benefits of  
25 low-cost energy as a far better return than nothing. Right

1 now, public coal is struggling to compete in the marketplace  
2 due in large part to the high taxes and royalty burden placed  
3 upon it.

4 Simply put an increase in the royalty rate will only  
5 create further uncertainty and put additional pressure on  
6 communities throughout the West and on critical state programs  
7 as well.

8 I'd like to finish up by saying part of the  
9 properties I'm in charge of are the Thunder Basin properties  
10 in the Powder River Basin in Wyoming. The first of the year,  
11 we had about 1,700 employees employed at those properties, and  
12 now we're close to 1,400. So we're down 300 employees. A  
13 little over 15 percent of our workforce has declined through  
14 what's happening here.

15 It's really important to me as a father. Two of my  
16 sons are employed at the Thunder Basin Coal Company. I hear,  
17 "Let's find other jobs for coal miners to do, these people to  
18 do." But even with educations that are traditionally outside  
19 the coal industry, they choose to work there.

20 And so it's important to me that the jobs remain.  
21 It's important to me that my kids have a fair opportunity to  
22 compete against other industries, and 40 percent is higher  
23 than most other industries have to participate in.

24 So thank you.

25 DAVID BATTIS: Thank you.

1           MICROPHONE NUMBER ONE:   Good afternoon.   My name is  
2   Brenda Lindlief Hal, and I'm here on behalf of the National  
3   Wildlife Federation.

4           I'd like to start by thanking the Bureau of Land  
5   Management for the opportunity to be here and speak today.  
6   I'd also thank Secretary Jewell for recognizing the critical  
7   importance of concerns raised during last summer's listening  
8   sessions on the federal coal leasing program, for pausing the  
9   current antiquated coal leasing system in order to address  
10   citizens' concerns and for making the opportunity to speak out  
11   for meaningful reform possible.

12          Coal mining on federal lands occurs on some of the  
13   West's most fragile and important fish wildlife habitats.  
14   Strip mining threatens our public land, water, wildlife, and  
15   our way of life throughout the West.   As trustees for these  
16   life-sustaining public resources, it is incumbent upon our  
17   government to make meaningful reforms to the coal leasing  
18   program to protect these resources.

19          The recent epidemic of coal company bankruptcies  
20   underscores the need for reform.   Coal companies have promised  
21   to be good stewards and reclaim public lands but have left  
22   taxpayers facing the prospect of having to pick up the tab for  
23   reclamation, have left workers without jobs and benefits and  
24   have left wildlife habitats fragmented and uninhabitable.

25          Until sweeping reforms addressing our concerns are in

1 place National Wildlife Federation requests no new coal leases  
2 on our federal lands.

3 We respectfully request that the BLM, the OSM, ONRR  
4 work in concert and for now that there be no new leases until  
5 coal companies are held fully accountable for complete  
6 reclamation of federal lands they have mined.

7 No new leases until self-bonding is banned and surety  
8 bonds are in place to ensure complete reclamation. No new  
9 leases until we are assured of a fair return to taxpayers for  
10 the lease of federal coal and that there be transparency in  
11 the leasing process and that royalties are commensurate with  
12 the true costs of leasing coal.

13 Not only are bankrupt coal companies walking away  
14 from their promises to reclaim our public land, they're  
15 walking away from wildlife protections, from workers, and  
16 destroying the hunting and fishing economies of the West.

17 Now more than ever, it's imperative that we make  
18 investments in the clean energy, not just for present  
19 generations but for those to come. Our fish and wildlife  
20 depend on it. Our workers depend on it. Our hunting and  
21 fishing economies and way of life depend on it.

22 Thank you.

23 DAVID BATTS: Thank you.

24 MICROPHONE NUMBER ONE: Hello. My name is Kasie  
25 Pickens, and I work for Arch Coal. I've been in the coal

1 industry for 17 years. Most importantly, I'm a wife and  
2 mother of two young girls.

3 So last night I was going over these comments with my  
4 oldest, ten-year-old and asked her how I did. She said,  
5 "Well, you did better than probably I would." So we'll see  
6 how it goes.

7 So last summer elected leaders and thousands of the  
8 public expressed their support of coal production on the  
9 federal lands through comment and participation in regional  
10 meetings.

11 Despite overwhelming evidence that to improve return  
12 for taxpayers requires increasing incentives to mine coal, the  
13 administration's response was to put a moratorium on the coal  
14 leasing program, relying on the arguments of the so-called  
15 green groups that want no return for the taxpayer by keeping  
16 it in the ground. These discussions have been around "What's  
17 fair for the taxpayer?"

18 Well, I'm here to advocate that there is a federal  
19 act that needs to be reformed, but it's not the Federal Coal  
20 Leasing Act. It's the Equal Access to Justice Act. See, the  
21 environmental nonprofits, environmental groups have hijacked  
22 this act, and they're bilking American taxpayers out of  
23 millions of dollars in order to pad their own pockets.

24 See, this was a well-meaning act that allowed the  
25 little guy to stand up to the federal government and have



1 attorneys' fees and litigation costs reimbursed to them. The  
2 environmental groups have hijacked this.

3 They get all of their attorneys' fees and litigation  
4 costs reimbursed every time they sue the federal agencies. So  
5 they are bilking the American taxpayers for a cause that is  
6 lowering the standard of living for millions of hard-working  
7 American families by killing coal and raising electricity  
8 prices.

9 So every time they sue over a new permit being  
10 issued, the American taxpayer foots the bill. Every time they  
11 sue another government entity for not enforcing its own laws,  
12 they get reimbursed by the American taxpayer.

13 It seems to me that the green they seek has less to  
14 do with the environment and more to do with the almighty  
15 dollar, all of which is taken off the backs of the American  
16 taxpayer.

17 (Applause.)

18 DAVID BATTIS: Thank you.

19 MICROPHONE NUMBER ONE: Hi there. I'm Kevin Newell.  
20 I work for myself. I'm a fishing guide from Longview,  
21 Washington. That's the same place they want to put the coal  
22 terminal there on the lower Columbia River.

23 Hey, by the way, I went fishing yesterday over here  
24 on the Platte below the dam, and whatever you guys are doing,  
25 keep it up. Those fish are huge, and there are a lot them in

1     there.  It was great fishing.  I had a good time and look  
2     forward to coming back.

3             AUDIENCE:  They're mining fish.  They're mining coal.

4             MICROPHONE NUMBER ONE:  They're eating coal?

5             I represent myself, my family, the Northwest Anglers  
6     Association.  Our membership takes over 10,000 acres on the  
7     Columbia River taking folks just like yourselves fishing for  
8     salmon.

9             The fishing industry in the Northwest is a  
10    three-and-a-half billion dollar industry.  It represents  
11    16,000 jobs.  They depend on good fishing, not okay fishing,  
12    not inconsistent fishing, but fishing that we know will be  
13    there for the long term -- today, tomorrow, and forever.

14            I'm here -- I'm not going to sugar-coat it.  I'm just  
15    like the rest of you folks.  I'm concerned for my way of life.  
16    I'm concerned for my job.  I'm concerned for our fish.

17            That's the notes that I have to work off of.

18            Coal trains.  We already got a couple coming down the  
19    Columbia River.  So we know what's happening.  Coal flies out  
20    of the cars.  It's deposited on the railroad tracks and in the  
21    riparian zone next to the river, and it also goes in the  
22    river.  It acidifies when it gets in the river.  Our baby  
23    salmon, sturgeon, and steelhead are supposed to live in this  
24    water.

25            How is that a safe healthy environment for our fish?

1 Who is going to clean that up? Is it even possible to clean  
2 it up? And what are the long-term impacts and costs of this?  
3 I ask you to please look at that.

4 Let's talk about coal and carbon. There's carbon  
5 emissions when you burn it. It's inhospitable for these  
6 salmon when they get to the ocean. It's not a good place to  
7 live. It's not clean. It's not healthy. It's not the  
8 moderate temperatures they need. It has too high acid levels.  
9 It has too little food, too high temperatures, and too little  
10 oxygen, and that's getting worse.

11 Folks, I'm talking about the food chain here. If we  
12 lose our food chain, we are going to lose a lot more than just  
13 our salmon. We're going to lose the whole thing. How many  
14 billions of dollars are at stake there? Not just my job, but  
15 everything you eat, everything that's happening up and down  
16 the West Coast and in our other oceans.

17 What is the cost of losing our salmon and polluting  
18 our oceans? What is the cost of sending this coal to China  
19 and letting them burn it?

20 In closing, this isn't hillbilly math. This isn't  
21 something that Kevin came up with in the back of his boat.  
22 This is real. It's not hypothetical. It's happening. It's  
23 getting worse. We're headed in the wrong direction.

24 We owe it to future generations to give them  
25 something better than what we have. We owe it to them to

1 provide more wild places, more wild things, and a better  
2 environment that's not polluted. I can't imagine a world  
3 without salmon. I ask you to take a long-term global vision  
4 of this issue.

5 Thank you again. Appreciate you having us.

6 DAVID BATTS: Thank you.

7 (The following speaker faced the Events Center  
8 seated audience and was intermittently  
9 inaudible.)

10 MICROPHONE NUMBER ONE: My name is John Williams.  
11 I'm proud to have called Wyoming home for over a half a  
12 century. I'm a proud American, fourth-generation family  
13 that's lived in Wyoming since the 1800s.

14 I'd first like recognize all those fellow patriotic  
15 Americans who have worked safely in the fossil fuel industry,  
16 working long hours for their families and other fellow  
17 Americans to give the world products they need and use on a  
18 daily basis.

19 Please stand if you're in the fossil fuel industry or  
20 a related field.

21 (People stand in the audience.)

22 Okay. I want to thank you. Give yourselves a hand.

23 I really do.

24 (Applause.)

25 How many in this room own a electronic device?

1 (Hands go up.)

2 Okay. How long have you been figuring out those  
3 gadgets (inaudible) like an old guy like me? I get  
4 out-smarted by my smart phone all the time.

5 How many people know where plastic comes from?

6 (Hands go up.)

7 Good. Well, let me share with you where plastic  
8 comes from. Although some plastics are made from renewable  
9 resources such as animal (inaudible), insects, trees. PETA is  
10 sure to love that. We all know PETA -- People Eating Tasty  
11 Animals; right?

12 The fact is that a vast majority of plastics are made  
13 from fossil fuels. In fact, virtually everything in modern  
14 society uses fossil fuel even those government subsidized wind  
15 turbines and solar panels. So without fossil fuel, it's  
16 highly unlikely that everyone in this room would be able to  
17 afford an electronic device or much else for that matter.

18 Fossil fuels have made billions of lives better for  
19 centuries, and a lot of our country (inaudible) the great  
20 nation it is.

21 I would like to see a show of hands for fellow  
22 Americans who are against fossil fuels.

23 Wow, nobody. Okay.

24 Welcome to Wyoming. Hope you're treated well on your  
25 visit here. (Inaudible) you own that uses fossil fuel, that

1 fossil fuels are used in, you might get a little warm in  
2 summer without your air conditioning or cold in the winter  
3 without heat. Walking to the convenience store instead of  
4 driving might not be so convenient, and living in the dark can  
5 get lonely.

6 Another show of hands for those who are against  
7 fossil fuels that could live without any electronic device.

8 Hmm, okay. The fact is these onerous rules and  
9 regulations are just an overreach of power in our country for  
10 personal gain by special interests and those politically  
11 connected to further control the people and business, the  
12 pathway to socialism. Bernie and Hillary are going to love  
13 that.

14 To come back to air, water, climate change, gun  
15 control, et cetera, it's about control, government control of  
16 the people and business. We have a great document that begins  
17 with these three words, "We the people," that this nation was  
18 founded on, and it's the Constitution.

19 It clearly states we the people are in charge of  
20 government, not the other way around. If you have not read  
21 the Constitution, you should. So I brought a copy for  
22 everybody who wants to read it.

23 We need our government politicians and special  
24 interests to stop lining their pockets using the American  
25 people's hard-earned money for personal gain with their

onerous regulations and subsidies to their political donors.

Contact your politicians and let your voice be heard.

If they ignore you, vote them out. Economic suicide from special interest regulations is not the answer.

(Inaudible) can be sure of one thing our children, grandchildren, future generations will suffer miserably in the an economy devastated. It's not (inaudible) already on the path of no return.

The song "Three Wooden Crosses" by Randy Travis:  
"It's not what you take when you leave this world behind you.  
It's what you leave behind you when you go."

Do you care what you leave behind?

God gave us these natural resources for a reason.  
Let us use them. There's a lot more room for fossil fuel created than it is now. We've had several climate change events since. So it's a natural cycle on earth. We've only had a few ice ages.

Repeat after me, "We want coal."

AUDIENCE: We want coal.

MICROPHONE NUMBER ONE: We want oil.

AUDIENCE: We want oil.

MICROPHONE NUMBER ONE: There you go.

I will vote.

AUDIENCE: I will vote.

MICROPHONE NUMBER ONE: We the people for our kids'

1 future.

2 AUDIENCE: We the people for our kids' future.

3 MICROPHONE NUMBER ONE: Awesome. Thank you for  
4 coming, everybody.

5 (Applause.)

6 DAVID BATTS: Thank you.

7 Okay. If we could go ahead and have group 51 through  
8 55 come on down to microphone number one. And Susan is giving  
9 me dirty looks because it's very difficult for her as a court  
10 reporter to verify that she's capturing everything if she  
11 can't see the lips and the facial expressions. If you don't  
12 mind facing this way so she could see, I would appreciate  
13 that.

14 Okay. We'll move over to group 46.

15 MICROPHONE NUMBER TWO: Good afternoon. My name is  
16 James Opfer. I'm with Thunder Basin Coal Company.

17 I've been involved in coal mining in the Western U.S.  
18 about 34 years, and I've lived in Gillette and worked in the  
19 Powder River Basin for about the past 25 years.

20 As I'm sure many of those in attendance here today  
21 can attest, we've seen not just our community but many  
22 communities around Wyoming grow and transform into wonderful  
23 places to live and raise families as the result of the  
24 billions of dollars that have collectively been poured back  
25 into our communities through the current coal leasing program



1 as well as the billions generated from other large taxes and  
2 fees paid by coal mining industry, as we've heard, an  
3 aggregate total of 40 percent on every dollar of sales.

4           It doesn't matter whether you are an advocate of coal  
5 or not, you can't deny having received immense benefit from  
6 the countless number of public projects that have been funded  
7 either in their entirety or in part by the existing federal  
8 coal lease program. Projects ranging from highways to schools  
9 to water supply pipelines and other public infrastructure have  
10 been funded by this program.

11           It is highly likely that the vast majority of these  
12 projects would never have been undertaken, and, in fact, many  
13 of them would not have been made possible if it weren't for  
14 the funds generated from the coal leasing program.

15           Those of us who support coal's use realize that coal  
16 is at a critical crossroad in terms of its continued use as a  
17 cheap, reliable, and abundant fuel source for electric power  
18 generation.

19           During the last several years, an assault on coal  
20 from the current administration has been waged on all fronts.  
21 Indeed, the current combined economic and regulatory  
22 environment for coal is the absolute worst that I have  
23 personally experienced in my 30-plus year career.

24           At a time when our overall economy is still  
25 struggling to return to more robust growth, it would seem

1 imprudent, irresponsible and to a point reckless to further  
2 increase taxes on coal in the form of higher royalty rates.

3 In the scenario of higher rates coupled with the  
4 existing coal marketplace, it is likely that coal consumption  
5 from the PRB could be curtailed significantly along with the  
6 collection of federal and state receipts associated with the  
7 leasing program, not to mention the potential significant  
8 decrease in the number of good-paying mining jobs.

9 Lastly, while critics of the current federal coal  
10 royalty program are quick to point out that all they are  
11 seeking is a higher return for the public on a valuable asset,  
12 the real not-so-hard-to-hide motive is to render coal entirely  
13 uncompetitive and keep it from being mined, period.

14 Their argument of seeking a higher return, as we've  
15 heard, is disingenuous at best. If the need to increase the  
16 royalties from the federal leasing program is the real issue,  
17 then steps should be taken to improve the return to the  
18 American public while making coal on federally controlled  
19 lands more competitive in the current marketplace, not less.

20 Thank you.

21 (Applause.)

22 DAVID BATTS: Thank you.

23 Are we missing number 48?

24 MEETING FACILITATOR: 48.

25 DAVID BATTS: If somebody has speaker card number 48,

1 please feel free to come on down.

2 Sir.

3 MICROPHONE NUMBER TWO: Thank you. My name is Mike  
4 Madden, a former economics professor and now a Wyoming  
5 legislator and currently the chairman of the House Revenue  
6 Committee.

7 As a state over the last nine years, we've invested  
8 over \$45 million toward research for clean coal technology. I  
9 assure you the State of Wyoming stands committed to coal and  
10 developing more efficient, dependable, and lower-cost energy  
11 for the citizens of the United States. We do this also  
12 because 24,000 of Wyoming jobs and its basic prosperity  
13 depends upon it.

14 Before the BLM contemplates raising coal taxes, this  
15 should be considered. In the Powder River Basin, federal,  
16 state, and local taxes, as you've heard before, absorb  
17 40 percent or more of the market value of coal. This industry  
18 is already the highest-taxed, highest-regulated industry in  
19 the State of Wyoming, an industry that's already losing  
20 hundreds of millions of dollars in losses every year and  
21 incurring bankruptcies.

22 Even the General Accounting Office and the Interior  
23 Department's Inspector General have both separately agreed and  
24 found that the current coal lease program is sound and  
25 generates billions to the United States taxpayers. This

1 discussion of further raising mineral royalties and federal  
2 lease rates is and would be further devastating to our  
3 country.

4 As an economist, I submit that raising taxes and  
5 leases will not increase revenue to the federal government.  
6 It will decrease it. It will not increase the viability of  
7 low-cost energy. It will reduce it. It will not increase the  
8 stability and dependability of the nation's power grid. It  
9 will reduce both.

10 It will not increase the economic growth, but it will  
11 radically reduce it. Nobody benefits. Most important, it  
12 will not contribute to any measurable impact on the climate  
13 whatsoever.

14 Let's be upfront and open about this. Political and  
15 special interests' efforts to undermine the BLM coal program  
16 in order to further burden the coal industry in order to  
17 eliminate the resource are simply unacceptable. And they are  
18 completely contrary to the tenets of a free society.

19 Thank you for listening.

20 (Applause.)

21 DAVID BATTIS: Thank you.

22 Are we still missing 48?

23 MEETING FACILITATOR: 48 is gone.

24 DAVID BATTIS: Okay. Thank you.

25 MICROPHONE NUMBER TWO: My name is April Thomas. I'm

1 here with the Sierra Club to read testimony from someone who  
2 was unable to make it today, a Wyoming resident:

3 "My name is Sarah Goran, and I live Laramie,  
4 Wyoming. I have worked on mineral valuation and  
5 taxation issues for various nonprofits in our  
6 state since the late 1970s. I believe that  
7 market forces have reshaped the future of coal  
8 production and the horse is pretty much out of  
9 the barn with regard to federal coal policy.

10 "That said, there still will be many years  
11 of substantial coal production from federal  
12 leases, and the review should focus on how to  
13 make the best of a declining industry.

14 "Late last year I submitted testimony for a  
15 listening session on increasing federal coal  
16 royalties. In that testimony, I said that  
17 although valuation methods and royalty rates for  
18 federal coal resources should have been reviewed  
19 before now, the changes made 25 years ago were a  
20 huge fiscal step forward not only for all U.S.  
21 taxpayers but also for the residents of  
22 coal-producing communities who benefitted from  
23 their share of increased royalties.

24 "The decades following the implementation  
25 of the new royalty rate, Wyoming's share of

1 federal coal royalty revenues increased  
2 dramatically although a proportion only still  
3 (inaudible) lacked the increase in coal  
4 production while state coal severance tax  
5 revenue fell due to rate reductions. More  
6 recently, erosion of the coal valuation method  
7 had (inaudible) the state's coal tax revenues.

8 "I supported reviewing the coal valuation  
9 methodologies and increasing the royalty rate.  
10 Neither of these will affect future employment  
11 in the coal industry. Even when coal production  
12 was sky-rocketing, employment in the coal  
13 industry fell and has continued to fall as coal  
14 producers constantly seek to reduce the number  
15 of jobs.

16 "But increasing the royalty rate definitely  
17 will affect the revenues available to federal  
18 and state governments and consequently their  
19 capacity to deal with the coal industry's  
20 economic and environmental legacies, including  
21 the need for unemployment benefits, job  
22 retraining, and economic diversification.

23 "Once again, I would like to call your  
24 attention to a study called 'Mineral Tax  
25 Incentives, Mineral Production and the Wyoming

1 Economy' by Shelby Gerking, William Morgan, and  
2 Mitch Kunce dated December 2000, University of  
3 Wyoming.

4 "This study as well as subsequent work by  
5 some of the same authors considers the  
6 interrelationships between coal producers,  
7 railroads, and the electric utilities. Although  
8 the study is approaching 20 years old, its  
9 conclusions regarding the market power of  
10 railroads, the goal of facility regulation and  
11 the negligible effect of taxes is still relevant  
12 when considering coal valuation, royalty rates,  
13 and lease rates.

14 "The interrelationships between coal  
15 mining, transportation and utility regulation  
16 mean that lower mining costs don't necessarily  
17 translate into cheaper power costs for the  
18 ultimate consumer.

19 "Another concern that should be addressed  
20 in this review is reclamation of mine land. A  
21 significant percentage of mine land has not yet  
22 met full reclamation requirements.

23 "And to sum up, I encourage you to consider  
24 how to achieve the highest possible value for  
25 the U.S. taxpayer on the remaining coal

1 production. I also encourage you to consider  
2 how to apply these revenues to assisting  
3 displaced workers, continued research on  
4 non-energy uses of coal and to ensure the  
5 reclamation of mine land. Thank you."

6 DAVID BATTS: Thank you.

7 MICROPHONE NUMBER TWO: I'm Jim Deutsch, the director  
8 of North Dakota Public Service Commission's Reclamation  
9 Division, and I'm here at the request of Commissioner Randy  
10 Christmann, who had a conflict.

11 The Reclamation Division administers and enforces  
12 North Dakota's coal regulatory program that has been approved  
13 by OSM. The PSU is also responsible for the more traditional  
14 regulation of utilities in North Dakota including electric  
15 rates.

16 About 28 million tons of lignite coal is mined in  
17 North Dakota, but only about 4 million tons of that is off of  
18 federal coal land. All the mining in North Dakota is by  
19 surface mining methods. The coal produced in North Dakota is  
20 sold on long-term contracts to power plants and Synfuels plant  
21 up north of Beulah.

22 As mentioned, these companies have long-term coal  
23 supply contracts that most of those still have another 20,  
24 25 years to go. None of the lignite coal in North Dakota is  
25 exported out of state. It's all used inside, instate, and



1 these coal-fired power plants are needed to provide affordable  
2 and reliable electricity to the residents of North Dakota and  
3 neighboring states.

4 I think the BLM needs to understand the federal coal  
5 situation is different in North Dakota. It's only about  
6 15 percent of the lands that are on federal land and BLM does  
7 not own any of the surface. The rest of it is all either  
8 private or state-owned coal.

9 Mining companies when they -- before they sign their  
10 contracts, they typically lease all that federal coal or not  
11 just the federal coal, but the private coal that is necessary  
12 for the life of those contracts. The federal coal leasing  
13 comes later, and if they're unable to get the federal coal,  
14 they need to bypass those federal coal tracts.

15 But they still have a surface lease to disturb the  
16 surface of that, and typically it is for roads, soil  
17 stockpiles, and sedimentation piles.

18 If the federal coal ends up getting bypassed in these  
19 situations, the federal coal will never be mined in the  
20 future, and as a result of this, the federal government and  
21 the State of North Dakota loses this royalty and other  
22 revenues from that, and the rate of return to the taxpayers  
23 becomes zero.

24 Also mining around federal coal, it basically means  
25 more private coal has to be mined. So instead of eliminating

1 or reducing the amount, the total amount of coal mined, it's  
2 just increasing the cost because typically what happens is  
3 they have to close the pit, open a new pit, go around the  
4 federal coal tracts, and that increases the cost  
5 significantly, and those costs then get passed on to  
6 rate-payers.

7 I encourage the BLM to consider this situation as it  
8 develops the EIS. Thank you.

9 (Applause.)

10 DAVID BATTS: Thank you.

11 Okay. We'll go ahead and have our group number 56  
12 through 60 make your way over the microphone number two.

13 Sir.

14 MICROPHONE NUMBER ONE: First off, a couple of things  
15 I've heard today strike me as odd, but nothing more so than I  
16 wanted to make clear to everyone here and most certainly have  
17 on the record than the comment that that nice lady from the  
18 National Wildlife Refuge commented on how bad reclamation is  
19 around here and how damaging it is. I just want to say that  
20 that's a bunch of crap.

21 (Applause.)

22 There's not a coal mine or coal company here that  
23 isn't proud of their reclamation. And I want to tell you  
24 something. I work for one, and I'll get to that in a second,  
25 but there's more wildlife on our reclaimed property than there

1 is in the native property that has never been touched.

2 (Applause.)

3 So on the record, that lady is wrong.

4 Now, sorry about that. My prepared statement is --

5 DAVID BATTS: Would you please state your name and --

6 MICROPHONE NUMBER ONE: I'm getting there. Thank  
7 you.

8 Good afternoon. First off, I want to thank you for  
9 the opportunity to be here in front of you speaking this  
10 morning. Just as I and the rest of us here have listened to  
11 you, I hope you are listening to us.

12 My name is Shilo Lundvall, and I do work for Arch  
13 Coal. In my free time, I am the incoming chairman of the  
14 Campbell County Public Land Board, a joint power entity funded  
15 by Campbell County and the City of Gillette. It's in charge  
16 of CAM-PLEX in Gillette, which is the largest multi-event  
17 facility in Wyoming, the top five in the country.

18 I continually hear the question, "What's fair to the  
19 taxpayer?" And I don't quite understand the logic behind that  
20 question. Rates paid on federal coal leases are extensive.  
21 Over the last ten years, coal companies in the state have paid  
22 in excess of \$3 billion in funds that directly impact schools  
23 with \$2 billion of that coming from lease bonus payments.

24 I recently had the privilege of traveling the state,  
25 giving awards to educators, and out of the 48 school districts

1 in the state which all benefit from these funds, I drove  
2 through or made a presentation at 35 of those districts.

3 We have programs that are funded with this money for  
4 students with disabilities that are in the top of the nation  
5 because we are able to purchase tangible items that they need  
6 which are vastly different than the needs of other students.

7 We are the only state that pays a hundred percent of  
8 kids' transportation and a hundred percent of everything  
9 related to the education of special needs students. We are  
10 able to build schools with the space needed to give these  
11 students the best learning environment possible along with  
12 paying fabulous educators who work closely with the students  
13 who, in other locations, wouldn't get the attention that they  
14 need.

15 Over a hundred schools across the State have been  
16 built or renovated thanks to coal lease bonus money. However,  
17 we will see that coal lease bonus money dry up in July 2017.

18 In context at CAM-PLEX, our local economy and  
19 statewide we have a lot of events at CAM-PLEX. CAM-PLEX is a  
20 top-notch facility, and we continue to host the National High  
21 School Finals Rodeo where people over the U.S. and a few other  
22 countries come to participate.

23 This event alone brings in over \$7 million a year to  
24 the local economy. As of right now CAM-PLEX's budget has been  
25 cut 11.76 percent for the upcoming fiscal year compared to the

1 current fiscal year. If we have to cut any more, we'll be  
2 forced to lay people off.

3 So I ask you if it's fair to the students with  
4 special needs that will not be able to get the level of  
5 attention they need because of cuts? Is it fair to my staff  
6 at CAM-PLEX that we potentially lay them off?

7 Is it fair to the State of Wyoming and people that  
8 come to see the National High School Finals Rodeo that they  
9 won't get to see that because we can't afford to bring them  
10 here if we have cuts? You tell me. What's fair to the  
11 taxpayer?

12 (Applause.)

13 DAVID BATTS: Thank you.

14 MICROPHONE NUMBER ONE: My name is Jeremy Murphy.  
15 I'm a Wyoming coal miner. I don't come here just as a coal  
16 miner. I come here, depending on who you talk to in my  
17 family, as a sixth-generation coal miner. I don't know how  
18 many people can say their family has been in the industry for  
19 five or six generations. Probably very few.

20 Simply, I am very proud of who I am and what I do,  
21 and I think I'm pretty dang good at it. But I'm here to  
22 oppose any higher taxes on these federal coal leases just for  
23 the simple fact that it's going to kill jobs.

24 You may ask, "How is it going to kill jobs by, you  
25 know, giving the government a little more money?" Well, I'll

1 tell you how. You're going to raise the taxes on the coal  
2 leases, which in turn, the coal producer has to raise its  
3 prices, which creates the utility prices to go up.

4 And then it gets to where we're almost that nonprofit  
5 company. So if the coal mines aren't making money, we're not  
6 going to be making money.

7 And as far as this "keep it in the ground" campaign,  
8 okay, most of the environmentalists have left, and, you know,  
9 I'm glad somebody wants to take care of the environment, and  
10 I'm one of them because we coal miners are conservationists.

11 How many of you coal miners hunt or fish?

12 (Applause.)

13 Okay. We don't go out and butcher anything or just  
14 rail in fish and chuck them on the bank. We don't do that.  
15 We buy our license. We do the right thing. We eat our  
16 animals, and yeah, we -- I'm a trophy hunter. And I'll tell  
17 you why I'm a trophy hunter. Because if I shoot the biggest  
18 deer I can find, he's an old deer. You're letting those  
19 younger guys grow up.

20 So this comes down to the reclamation. I personally  
21 have been working in the reclamation myself the last few  
22 weeks, and if you look at it, you have the drag lines. For  
23 the ones who don't know, you have drag lines that are  
24 stripping. The final layer is overburden off the coal, and  
25 just behind that, you have your truck lines from -- to ship,

1     you know, the trucks are hauling it from the top of the ground  
2     on the other side of the pit.

3             And so beyond that, you have your final grade or your  
4     post-mining topography. And then just behind that, you have  
5     topsoil laid out. Behind that, you have your seed.

6             And I don't know, there's a lot of people here from  
7     Gillette, but as you're driving south --

8             (Timer bell.)

9             Can I have your time?

10            But anyway, as you're driving south, you look to the  
11     coal mines on the side of the highway, you look off to the  
12     east where the mine's been -- where the mine's already been  
13     reclaimed, that grass is a heck of a lot greener than it is  
14     over on the native side. I was driving down there the other  
15     day, and there must have been 50 head of antelope on the  
16     reclaim.

17            So to say that we're destroying the environment,  
18     killing the wildlife, it's completely ludicrous.

19            DAVID BATTS: Okay.

20            MICROPHONE NUMBER ONE: So just one last thing. This  
21     "keep it in the ground" campaign, okay, I'm going to challenge  
22     you. Keep it in the ground? Yeah, okay, put it back in the  
23     ground. Take your cell phones, dig a hole with a shovel and  
24     put it in the ground. Take your shovel and dig and drive your  
25     car in it and bury it. Put it back in the ground because coal

1 made that.

2 DAVID BATTS: Okay.

3 MICROPHONE NUMBER ONE: And one last thing. We're  
4 Americans. We're Wyomingites. We're coal miners. We're  
5 proud of what we do, and we are coal.

6 (Applause.)

7 DAVID BATTS: Thank you. I'm getting dirty looks  
8 from our court reporter again.

9 Sir.

10 MICROPHONE NUMBER ONE: My name is Jack Laakso. I'm  
11 here with Friends of Coal. I'm also a retired coal miner.

12 So one of the things I thought about when we started  
13 talking about this, about coming here is what part of this can  
14 I present that is a little bit different? When you start  
15 talking about raising royalty rates on coal, you're talking  
16 about increasing the electricity rates.

17 You get to the point where somebody like me, now that  
18 I'm retired on a fixed income, you're going to have start  
19 deciding on a monthly basis, "Do I get my medicine? Do I get  
20 my food? Or do I pay my electric bill? Which is it going to  
21 be?"

22 It's incumbent upon us, incumbent upon BLM to ensure  
23 that that doesn't happen. No one in the United States should  
24 ever have to make that decision. Nobody.

25 I want to address some of the reclamation facts. I



1 know it was brought up some of the reclamation facts, which  
2 are still facts by the way. I've been involved in mining.  
3 I've been in reclamation planning. I've been involved in  
4 supervising reclamation crews.

5 I'm going to tell you that percent that they talked  
6 about is in error. That might be the actual final  
7 reclamation, but you got a lot of land under your facilities  
8 under railroads, under haul roads, under office buildings,  
9 under silos -- that stuff doesn't get reclaimed till the end.

10 Then there's various stages of reclamation. Did they  
11 talk about that? I didn't hear it. I didn't hear it. And I  
12 am an outdoorsman. I've been here for 30-plus years. I am an  
13 outdoorsman. I love to hunt; I love to fish. I guarantee you  
14 if you want to see some of the largest mule deer and some of  
15 the largest elk, you go to some of reclaimed areas on the mine  
16 sites.

17 (Applause.)

18 That's where you see it. That's where you see it.

19 But as far as the fishing in the Northwest, you know,  
20 I understand where you're coming from, but I guarantee you, if  
21 we don't haul our coal to China to burn, they're going to burn  
22 noncompliance coal. We ain't telling China what to do.

23 (Applause.)

24 They're going to burn whatever the hell coal they  
25 want to burn.

1 (Applause.)

2 The United States isn't going to tell China what to  
3 do. So all that acid rain BS, you know, all that stuff, it's  
4 going to come from China. It's not going to come from us.

5 They've been around for a week. We have compliance  
6 coal. We have compliance coal. That ain't happening there.

7 Then you talk about climate change. Hell, where I  
8 grew up, even where I live now, there's climate change four  
9 times a year. We've got winter, spring, summer, and fall.

10 This talk about climate change is not an absolute  
11 science that unequivocally, unequivocally says that there is  
12 climate change. Nothing. Because every article I've read,  
13 there's been a comp for every article, and I've done my  
14 research.

15 I'm going to say one last thing. Let me tell you  
16 something. This group of people up here, they're a bunch of  
17 coal miners. They're proud coal miners. And at two o'clock  
18 in the morning when they're loading the trains to go someplace  
19 to provide electricity for somebody to sleep in a warm bed and  
20 it's 20 below, 60 mile per hour winds, those people are at it.  
21 Those are the people doing it.

22 (Applause.)

23 Don't jeopardize that.

24 DAVID BATTS: Thank you.

25 MICROPHONE NUMBER ONE: Thank you.

1 (Applause.)

2 DAVID BATTS: Before we move on, I just want to  
3 remind everybody that, as we started the meeting, we want to  
4 make sure we have civil and respectful discourse here. So  
5 let's please hold off. We don't want any personal attacks.  
6 We don't want to be attacking other speakers. If we can just  
7 hold the clapping until the end. If you feel a need to clap,  
8 I'll allow that, but please allow them to finish their  
9 comments.

10 Sir.

11 MICROPHONE NUMBER ONE: (Richard Chafee.)

12 Thank you. As a United States citizen and as owner  
13 of Jack's Truck & Equipment, I would like to address the BLM  
14 in regards to the return on the investment to the taxpayers  
15 for coal leases and the environmental impact of mining coal.

16 It's my understanding that the taxes being paid by  
17 the mine companies to mine and sell coal add up to a rate of  
18 39 percent. That leaves the remaining 61 percent to be used  
19 to cover business expenses, which would hopefully be under  
20 that amount. If so, there would be a profit to the company  
21 for doing the mining which would be subjected to another  
22 39 percent income tax.

23 Then all the mining employees who are paid income out  
24 of the company expenses would also pay their respective income  
25 taxes, their Social Security tax, and their Medicare tax.

1           Additionally, if you consider the sales tax that's  
2   paid on goods purchased by the mines' employees and the fuel  
3   taxes paid on the fuel they purchase, it makes a person wonder  
4   how much of every dollar actually does not end up being a tax.

5           As a U.S. citizen, I do not think this is fair. I  
6   think we the people are being grossly overtaxed and so are  
7   these mines.

8           I think the question of wondering if the taxpayer is  
9   receiving a fair rate of return from leasing federal coal is  
10   not the correct question. I think perhaps the correct  
11   question is what is happening to all the taxpayers' money?

12          Secondly, tell me how we can subsidize the wind  
13   energy, subsidize the solar energy industry and yet nothing  
14   for clean coal technology? Did you know American uses around  
15   170 percent more coal now than it was in 1970 and yet  
16   producing 90 percent fewer emissions. That is an  
17   environmental success story.

18          Consider this. Coal producing low-cost affordable  
19   energy while producing zero emissions without being  
20   subsidized. I think that the true reality is we can lower the  
21   cost of money to coal by lowering taxes paid for it. This  
22   would give the renewable industry the funds they need to  
23   perfect their products without breaking the taxpayer.

24          Why should we pay those industries subsidies when  
25   they obviously don't need them. The coal industry did not

1     need them and does not need them. They just need less tax.

2             Let's stop taking money from the coal industry and  
3     giving it to the renewable industry. That is not fair. If  
4     anything, we need to use tax money generated by the coal mines  
5     to subsidize coal clean -- clean coal technology.

6             When the renewable energy companies figure out how to  
7     make their product reliable and affordable, it will sell.  
8     That is a fact of economics.

9             The coal industry has already figured that out.

10            (Applause.)

11            DAVID BATTIS: Thank you.

12            MICROPHONE NUMBER ONE: Good afternoon. Thank you  
13     for the opportunity to share with you some thoughts on coal.

14            My name is Alan Johnson. I live in Gillette, and I  
15     work as a maintenance supervisor for Cloud Peak Energy,  
16     leading producer of low-cost thermal coal. I also have the  
17     distinct privilege of serving Governor Matt Mead and the  
18     people of the State of Wyoming as a member of the Wyoming  
19     State Mining Council.

20            Some time ago I start doing research on the amount of  
21     taxes coal mining pays and taxes renewable energy sources pay.  
22     My concern came from a conversation my wife and I were having  
23     at the dinner table. With coal companies scaling back their  
24     lease purchases, there will be less educational opportunities  
25     for our children and grandchildren.

1           The infrastructure that we use each day -- the roads,  
2   the water system upgrades, parks and so many other  
3   resources -- will not be able to be funded as they are now.  
4   So I looked to the renewable energy sources and what their tax  
5   structure is.

6           I found that the renewable energy sources receive tax  
7   credits and subsidies to operate. In fact, as Robert Bryce  
8   senior fellow of the Manhattan Institute for Policy Research  
9   stated in his February 2012 paper, "The High Cost of  
10   Renewable-Electricity Mandates," he states:

11        "The renewable industry has received over twice  
12       in tax credits than other energy producers are  
13       paying in taxes. In fact, where the cost for  
14       coal averages \$38 per million BTUs, the same  
15       million BTUs from onshore wind power could cost  
16       between 75 and \$138. And for solar-generated  
17       electricity, the cost rises to 242 to \$455 for  
18       the same million BTUs. The only way renewable  
19       energy appears to be competitive is to receive  
20       subsidies and credits."

21           The problem, as my wife and I talked about, is  
22   the tax credits do not build an education program for future  
23   generations. However, taxes paid by coal companies do. Tax  
24   credits for the renewable energy industry do not build  
25   infrastructure, provide parks, recreation opportunities, or

1 many of other things that communities enjoy. Coal mining  
2 does.

3 With the proposed tax increase on coal, the coal may  
4 no longer be competitive. I ask you to make the tax rate on  
5 various energy sources, make it a level field to play on.  
6 Coal paying a billion dollars taxes versus renewable energy  
7 sources receiving \$12 billion in subsidies and tax credits  
8 doesn't make a level field to work with.

9 Coal is paying its fair share as evidenced by simply  
10 looking around at the wonderful facility we're in today.

11 Thank you for listening to and considering my  
12 comments. Good day.

13 (Applause.)

14 DAVID BATTS: Thank you very much. I'd like to call  
15 down group 61 to 65 to come on down at their convenience to  
16 microphone number one.

17 We'll go on over here to number two, sir. Can we  
18 have the blue remote mic?

19 Okay. You're good to go, sir.

20 MICROPHONE NUMBER TWO: Is that the live-feed camera?

21 DAVID BATTS: We have a couple of different cameras.  
22 One there, one there (indicating).

23 MICROPHONE NUMBER TWO: Is that the live feed? I  
24 want to make sure I'm on the live feed. That's all.

25 DAVID BATTS: You're good.

1           LINDA LANCE: Yeah, our guys running the live feed  
2       said, yes, you are.

3           MICROPHONE NUMBER TWO: Thank you. My name is Scott  
4       Clem. I'm a representative for Campbell County and Gillette.  
5       Like my colleague Norine Kasperik, I'm right in the middle of  
6       coal country, right in the heart.

7           This morning, I woke up. I'm within ten miles of  
8       three different coal mines and six different power plants. I  
9       woke up this morning to clean air. It was pristine.

10          I woke up, and I could see one of the power plants,  
11       and I could see the steam stack. That's not smoke coming out  
12       of those stacks. That is steam.

13          I didn't see dust or coal ash or anything flying  
14       around in the air because we don't have that in Wyoming.  
15       Wildlife flourishes in Wyoming. Even though it's interesting,  
16       we talk about reclamation. You know, why is it that Wyoming  
17       is the gold standard for reclamation? And it is. And it  
18       isn't because the feds tell us that we have to have it that  
19       way. It's not.

20          It's because we the people of Wyoming live, breathe  
21       and work here. We ensure clean air and clean water for us and  
22       our children. For those who slam our reclamation and claim  
23       that coal mining hurts wildlife and pollutes our environment,  
24       you're relying upon environmental propaganda.

25          Come and experience it yourself. Come to Gillette,



1 Wyoming. I'll gladly give you a tour. The thing is you're  
2 relying upon faulty information.

3 You know, I'm offering an alternative here in regards  
4 to the issue at stake. We would not be having this meeting if  
5 our state owned and managed our lands.

6 We've got a live feed here, and I'm going to put this  
7 up on the live feed so the rest of America can see.

8 (Raises paper to the camera.)

9 If you can see this map, this is a map of the U.S.,  
10 and what it is is you can see there's a red line. All that  
11 red in the western part of the U.S. is land that's controlled  
12 or owned or claimed ownership by the federal government.

13 Here in Wyoming, 48 percent of our land and  
14 67 percent of our minerals are controlled by the federal  
15 government.

16 So who is calling the shots? Who is making the  
17 decisions about land, our minerals, our coal? Is it  
18 Wyomingites? No. At least not on state -- or on this federal  
19 claim land. No. It's Washington, D.C. bureaucrats in an  
20 office building somewhere.

21 You know, we talk about a fair return to the  
22 taxpayer. What about a fair return to the Wyoming taxpayer?  
23 We're mining Wyoming coal. A billion dollars in royalties  
24 doesn't go to our coffers. It goes to the federal government,  
25 and then we get a kickback of about half that back.

1           You know, I have reason to want to mitigate  
2 externalities, but that doesn't mean that we leave coal in the  
3 ground or punish the industry at exorbitant cost. We need to  
4 be economically efficient. When the cost to companies and the  
5 benefits to the environment intersect somewhere, that's where  
6 we have economic efficiency.

7           When costs are increased without the increase of the  
8 marginal benefit, we miss the mark, and we're hurting  
9 companies for nothing. We're spending for nothing, and we're  
10 hurting businesses.

11           Let me ask you this. Don't Wyoming children deserve  
12 the same rights as every state east of Wyoming to use their  
13 natural resources to fund education? In North Dakota they own  
14 over 95 percent of the public land. Here in Wyoming we don't.  
15 We don't get the full benefit of our resources.

16           So I would encourage if anything give us back our  
17 land and let us manage our lands. Let us manage our coal  
18 companies.

19           (Applause.)

20           We don't need Washington bureaucrats telling us what  
21 to do. We're fully capable just like every state that's east  
22 of Wyoming. Thank you.

23           (Applause.)

24           DAVID BATTS: Thank you.

25           MICROPHONE NUMBER TWO: My name is Ted Lapis, and I

1 live in Sheridan, Wyoming. I'm representing myself.

2 The Powder River Basin was opened to solve a problem.  
3 It was a work largely done by big oil companies who started  
4 the Powder River Basin and then sold out.

5 I believe that the coal in Wyoming has markets other  
6 than being turned into heat and power. We know that there's  
7 more than a hundred billion barrels of oil underneath existing  
8 oil fields. It's called the residual oil zone. That oil is  
9 under the water.

10 For a hundred years everybody in the oil business  
11 knew you stopped drilling when you hit the water, flow back  
12 and produce the oil. Now we know that there was a lot of oil  
13 underneath existing oil fields.

14 It's been well-studied. Texas has been producing it  
15 since the '90s. The Big Horn Basin has a lot of oil  
16 underneath existing oil fields. You need carbon dioxide to  
17 produce that oil.

18 The CO2, oil companies in 2012 were paying about \$40  
19 per long ton of -- per ton of CO2. They were also offering to  
20 pay \$25 a ton for manmade sources of CO2. They need a lot of  
21 it. It's reasonable to expect that CO2 prices will go above  
22 \$50 per ton. That's more than the coal companies are getting  
23 for their product now, and that's a byproduct because it  
24 really is what you get after you turn the coal into power.

25 It's not just that the oil wells are there and

1   there's more oil underneath. The oil wells leak. The United  
2   States has done a bad job of finding out how many of those oil  
3   wells leak. In Alberta they've done a better job, and they  
4   found that 7 percent of their wells leak.

5               However, the true number is higher, and it really at  
6   this point looks like it's a function of age. So I think  
7   there's other markets, and the biggest one is methane  
8   hydrates.

9               We have between two and ten times the value of all  
10   the energy in oil, coal, and gas combined in methane hydrates,  
11   and that is produced in Alaska by a Conoco-Japanese consortium  
12   by pushing CO2 in and capturing the methane on the way out.

13              Thank you.

14              DAVID BATTS: Thank you.

15              (Applause.)

16              MICROPHONE NUMBER TWO: Good afternoon. I'm Bill  
17   Schilling. I'm president of the Wyoming Business Alliance.  
18   I'm pleased to have you have this session here in a state that  
19   is a natural-producing state in terms of commodities.

20              I'd like to talk about scale in terms of the coal  
21   industry in the State of Wyoming. In the "Federal Register"  
22   that talked about this program today, the EIA talked about a  
23   five-year cycle 2008 to 2013, where coal production was down  
24   by 16 percent nationwide. That's correct.

25              But what that register fails to do and what the BLM

1 and, I'm assuming, EPA and others combining forces in terms of  
2 research failed to mention is the cyclical nature of commodity  
3 production, and that needs be to accounted for in your  
4 research because minerals have a cyclical effect because of  
5 supply and demand, generally five- to ten-year cycles.

6 That's something you have to consider because you're  
7 trying to make decisions from this point going forward but not  
8 taking into account that cyclical nature.

9 Campbell County, 35 years ago was a small rural  
10 community with limited services. Coal began production in the  
11 early '80s. When oil went in the tubes, were it not for coal  
12 in the late '80s and throughout the '90s, Wyoming would have  
13 been in the same position it had been when the late Governor  
14 Stan Hathaway was elected back in the '60s -- broke.

15 But because of coal, our economy was sustained and  
16 stabilized. It had a remarkable factor. In those days coal  
17 production was only about a hundred to 200 million tons per  
18 year.

19 Campbell County's employment is primarily dominated  
20 by goods-producing sectors, jobs that add value to the  
21 economy. That 40 percent figure is about twice that of the  
22 State's overall average and more than twice of the national  
23 average. So that 40 percent accounts for all the rest, quite  
24 frankly.

25 That also is not mentioned in your research and it

1 has to be. You have to distinguish between goods-producing  
2 and service-providing. And the folks you have heard today,  
3 these miners, they are the goods-producing people that make  
4 our lives that much better.

5 The number of jobs, 2000 jobs direct and indirect  
6 that have basically been lost in the coal industry in recent  
7 months, I imagine if that percentage were to apply to a larger  
8 metropolitan area, take Campbell County's population and  
9 multiply that out.

10 Let's take Chicago. Instead of being 2,000 jobs, it  
11 would be more like 100,000 jobs. The 2,000 jobs in Wyoming  
12 are hardly a blip on the national media, but a  
13 hundred-thousand-plus jobs in Chicago would be national news.

14 The point I'm making is it's a scale issue. The  
15 Wyoming Business Alliance fully opposes the movement here to  
16 raise the royalty payments for the coal industry and fully  
17 supports the good work that is done over the years.

18 Thank you very much.

19 (Applause.)

20 DAVID BATTIS: Thank you.

21 MICROPHONE NUMBER TWO: Thank you. Thank you for  
22 having me today. My name is State Senator Jeff Wasserburger,  
23 and I represent Campbell and Converse County.

24 I have spent the last 34 years as a Campbell County  
25 school district employee as a teacher, coach, associate

1 principal, athletic director and as an associate  
2 superintendent now. I've also spent 14 years in the Wyoming  
3 legislature, 12 in the house and 2 in the senate.

4 Coal has been an important domestic energy source for  
5 decades throughout Wyoming and will continue in the years  
6 ahead. Coal has supplied Wyoming with a tremendous amount of  
7 revenue for many years and has been a primary source of  
8 funding for school capital construction.

9 Historically, the coal lease bonus funds have  
10 supplied Wyoming with \$2 billion for school construction and  
11 federal minimum royalties have provided another \$1.4 billion.  
12 Wyoming has used this revenue from coal to remodel or build  
13 new construction in schools in all 48 districts.

14 Every school district in this state has benefitted as  
15 a result of the coal lease bonus program. The moratorium on  
16 coal lease bonus threatens the future of Wyoming's K-12 system  
17 and all of our students.

18 In my school district in the last ten years, we have  
19 built eight new schools. Paintbrush Elementary, Hillcrest  
20 Elementary, Lakeview Elementary, Prairie Wind Elementary,  
21 Buffalo Ridge Elementary, Stocktrail Elementary, Westwood High  
22 School, which is an alternative school for our students, and  
23 the new Thunder Basin High School.

24 From all of the students in Campbell County School  
25 District to all of the hard-working coal miners in our

1 community, we say thank you for building our eight new schools  
2 and for all your dedication and hard work to make our  
3 education system the best it can be.

4 We love our coal miners. Last week, Wyoming  
5 legislators met in Douglas to discuss ways to replace the coal  
6 lease bonus funds that the moratorium has cut off. The  
7 Wyoming legislature is required by our state constitution to  
8 provide all students with quality schools and buildings and  
9 will have to tax our citizens to replace the coal lease bonus  
10 funds.

11 The moratorium on coal leasing also decreases the  
12 amount of money that the federal government receives in  
13 royalty payments. For the Powder River Basin in Wyoming,  
14 which produces over 80 percent of coal reserves on federal  
15 land, the federal government receives 40 cents on every dollar  
16 of coal sold.

17 The question is with the national debt of \$18  
18 trillion, you would think the federal government would be  
19 seeking to increase revenues off of coal. The federal coal  
20 program provides substantial revenues to the federal and state  
21 government totaling \$13.8 billion since 2013.

22 To Wyoming in the last fiscal year, coal supplied  
23 just over \$1 billion in revenue to our state. Keeping federal  
24 coal in the ground results in no return to the taxpayers here  
25 in Wyoming or in Washington, D.C.



1 Thank you.

2 (Applause.)

3 DAVID BATTS: Thank you.

4 MICROPHONE NUMBER TWO: Hi, my name is Russ Cranen.

5 I work for Cloud Peak Energy. I'm here representing all the  
6 coal miners, their wives and their children, husbands also and  
7 extended families.

8 At the beginning today, I had something I'd like to  
9 say, but after watching the PowerPoint presentation, I decided  
10 to go with what you brought up -- the how, when, where, and  
11 also why.

12 The how, the Secretary is trying to raise the taxes  
13 at the same time there's a moratorium on the new coal leases  
14 at the same time the President is trying to push through a  
15 bill that will take money and give it to West Virginia and  
16 other coal mining states that have already lost their jobs in  
17 their industry. To me, that's a Ponzi scheme that's worthy of  
18 Bernie Madoff.

19 The when. The when is at a time when the natural  
20 cyclical response to market conditions affecting the coal  
21 mining industry are the normal consequence of a free-market  
22 economy have been exacerbated by policy, regulation, and the  
23 determined destruction of the industry.

24 I have spoken to and listened to those that would  
25 continue down this path, and countless times I hear, "Well,

1 you go look at the big picture, got to look at the big  
2 picture."

3 Every time I hear that, it's coming from the mouths  
4 of people who are intellectually unable to mentally study,  
5 analyze, and proffer a sound, low-impact and executable  
6 plan -- a sound, low-impact, and executable plan.

7 This would address all parties' concerns instead of  
8 proffering regurgitated opinions based on unverifiable facts,  
9 not all but most. Said plan would most likely not address all  
10 concerns but most, and let's speak frankly. Alternative  
11 energy is coal's competition.

12 Alternative energy is supporting the end of coal.  
13 The efficiencies they are working with cannot compete. So  
14 they are subsidized and support Secretary Jewell to make  
15 money. Climate change activists speak as though there is  
16 empirical evidence to the fact. There isn't.

17 We have a very short climate record -- a hundred,  
18 150 years. Ice core samples done by USGS have proven a  
19 1,500-year and 200-year cycle.

20 NASA is also in the process of spending billions of  
21 dollars to study our solar system as it moves through our  
22 galaxy. And they say we are moving through our galaxy in the  
23 higher energy area of our galaxy, which is a leading cause, in  
24 their opinion, to the warmer temperatures. You can hit their  
25 website NASA or USGS to verify these facts.

1           Now the where. The where is the great State of  
2 Wyoming.

3           "Wyoming's economy differs significantly,  
4 significantly from that of other states with  
5 most activity in tourism, agriculture, and  
6 energy extraction and little in anything else."

7           This is a quote referenced in Wikipedia, and you can  
8 look that up.

9           That being said, let's talk economics. Raising  
10 higher taxes equals decreased revenue, equals less corporate  
11 spending, equals less jobs, which equals less taxes.

12           Now the why. We all know the political agenda let's  
13 them pull. Sorry. I've got one more thing.

14           What wasn't mentioned in your presentation is the  
15 who. And I haven't given you really any numbers, but I'll  
16 give you two numbers -- eight and three. My eight-year-old  
17 son Brian and my three-year-old daughter Gabriella. That's  
18 who this affects. It doesn't affect fish. It doesn't affect  
19 the reclaimed land. We do a great job at it. It affects my  
20 two children.

21           AUDIENCE: Yes, sir.

22           MICROPHONE NUMBER TWO: Thank you.

23           (Applause.)

24           DAVID BATTS: Okay. We'll go ahead and call down  
25 group 66 through 70 over to microphone number two please.

1 Just to kind of give a little heads-up time check, the way  
2 we're going right now, we'll probably getting through comments  
3 around 85, maybe we'll get into 90s, just as a heads-up.

4 Sir.

5 MICROPHONE NUMBER ONE: Thank you for your time this  
6 afternoon. I'm Dan Kirkbride, Representative for Wyoming  
7 State House District 4. Though I live more than a hundred  
8 miles from the nearest coal mine, I have constituents in five  
9 of the six towns in my district who gain a living from mining  
10 jobs in the Powder River Basin. My nearest neighbor, in fact,  
11 is a dynamite specialist at a mine.

12 I think most all of us would agree that coal  
13 production is the backbone of energy generation in the United  
14 States. But at the micro level, I want to highlight two  
15 experiences from my own life this past week to emphasize the  
16 personal value of such a great resource.

17 At an interim legislative committee meeting this past  
18 week in Lander, Wyoming, the electricity suddenly went out  
19 just after 5:00 p.m. The headline possibilities were  
20 mind-boggling. "Legislators Seek Answers in the Dark" being  
21 just one of them.

22 But from a more basic viewpoint, we were all reminded  
23 of our great reliance on electricity and its benefits. As the  
24 twilight dimmed, I finally put down the bill we were  
25 assessing, entirely giving up on trying to read it.

1           We all suffered in the weak light by candlelight. It  
2   was hot, and the lights came on just after -- came back on  
3   just after 9:00. But everyone attending had a few hours to  
4   reflect on all that we take for granted regarding reliable  
5   electricity, its comforts and our everyday dependence on it,  
6   reliable electricity generated in so many cases by coal.

7           Also last week, an agile Internet provider climbed  
8   our roof and bolted on a new satellite dish, and we signed a  
9   contract for improved service and unlimited data up from our  
10   paltry former ten gigabytes. Oh, boy. Now we can catch up on  
11   all those missed "Longmire" episodes.

12           But thinking back, I recall no caveat that the extra  
13   electricity we would soon require might not some day be  
14   available, nor did we consider that the service might become  
15   unaffordable owing to restrictions that rendered the go-to  
16   electrical generating resource unavailable in the ground or  
17   less an option.

18           Rather, we both relied on a trustworthy system that  
19   has served for decades. Coal mining companies pay some of the  
20   highest taxes on any commodity in the world. They in turn  
21   gave us jobs for working families, electricity for the  
22   populous on a national scale, and taxes for county, state, and  
23   federal governments, and in the process reclaiming the land  
24   oftentimes to better than original condition. That is win-win  
25   and a whole lot more.

1           As you review the leasing program, please consider  
2     continuing full utilization of Wyoming's reserves by the coal  
3     industry with the added possibility of providing for an even  
4     more streamlined and transparent permitting process.

5           Thank you.

6           (Applause.)

7           DAVID BATTS: Thank you.

8           We are missing number 62. Is number 62 around?

9           UNIDENTIFIED SPEAKER: I think she's here.

10          DAVID BATTS: If number 62 is here and wants to  
11     speak, come on down and work them in.

12          Until then, sir.

13          MICROPHONE NUMBER ONE: Good afternoon. My name is  
14     Leland Christensen, and I serve in the Wyoming legislature in  
15     the senate, and I'm interested in this. Let me tell you why.

16          When you're talking about coal, you have to  
17     understand we're talking about people. We're talking about  
18     lives, families, layoffs, foreclosures, not going to college,  
19     less food on the table, moving out of state. But, you know,  
20     we're also talking about America. We're talking about  
21     changing the affordable reliable energy source that has really  
22     separated and made this a different country than the rest of  
23     them in the world.

24          It's that reliability that has allowed our  
25     manufacturing that's got us through so many difficult times in

1 the past, and here we are talking about changing that,  
2 tampering with that.

3 Now, this is personal for me. My family on my  
4 mother's side showed up in Wyoming in 1883 from the coal mines  
5 in England. They came over to Almy, Wyoming, and went to work  
6 in the coal mines. And they paid some high prices for that.  
7 But that was their trade. They came to America to the land of  
8 opportunity.

9 And here we are talking about changing that, taking  
10 away that free-market advantage, that opportunity that we have  
11 that has blessed this country since, on our family's side,  
12 back in the 1880s.

13 Now, my son and my son-in-law are both miners too.  
14 So it's not just old history. It's the future for our family  
15 that we think about like so many people in this room, their  
16 families and their children. But, again, remember, it's not  
17 just Wyoming. This really is about America.

18 Personally, I know what it's like to have an industry  
19 wiped out by federal regulation. I was a logger back in the  
20 '70s and '80s, and I saw what happened when the federal  
21 government got in the middle of logging regulation, and all of  
22 a sudden crushed the industry.

23 Now some of those forests that were logged are the  
24 healthiest forests we see compared to the land that was left.  
25 It wasn't work.

1 I'd like to draw your attention to the document we  
2 picked up as we walked in this morning, the federal order, an  
3 order from the Secretary of Interior 3338, and "Subject" -- I  
4 like that subject -- "Discretionary Programmatic Environmental  
5 Impact Statement to Modernize the Federal Coal Program." Then  
6 down in the middle of that first paragraph it talks about this  
7 order and the ideas behind it. But it says:

8 "Analyze potential leasing and management  
9 reforms to the current federal coal program in a  
10 manner that gives consideration to the impact of  
11 that development on important stewardship values  
12 while also returning a fair return to the  
13 American public."

14 It seems like we're missing a very important part of  
15 this. Imagine what's the impact on the American public?  
16 What's the impact on the America? We're talking about two  
17 prongs, but is there a commitment from the BLM to look at the  
18 impact on people and on our country itself? You're looking at  
19 two of them according to this, and I sure hope that that third  
20 part is considered.

21 You know, we know that Wyoming, which relies on coal,  
22 a lot of our electricity and the nation's comes from Wyoming.  
23 Here we are with roughly half of the electrical rates that  
24 California has. You see other countries around the world are  
25 now starting to abandon the wind and solar because they had



1 left coal, and they found out their electrical rates  
2 increasing from triple to doubling, doubling to tripling.

3 Since when does America need to repeat the mistakes  
4 of other countries? We can do better than that.

5 (Applause.)

6 DAVID BATTS: Thank you.

7 MICROPHONE NUMBER TWO: My name is Charlie Shinkle,  
8 and I'm here to represent my family. My two daughters are  
9 here today. I'm sure you've all seen them sitting there.  
10 Many may think why do I take my kids out of school. Well, I  
11 took them out of school because today they probably learn as  
12 much as they did in school.

13 I'm going to talk about my family. My family  
14 homesteaded in Wyoming in 1898 and 1903. And I have the  
15 original homestead deed signed by Calvin Coolidge and Woodrow  
16 Wilson. I have them in my possession.

17 Both sets of my grandparents, one come from Scotland,  
18 and they as well come to work in the coal mines. I went to  
19 University of Wyoming, got married to my wife. She went to  
20 the University of Wyoming.

21 When I was going to school, I worked for the BLM,  
22 worked for an interagency helicopter crew fighting fires,  
23 stationed in Rawlins, Wyoming. I was stationed in Fort  
24 Washakie actually but worked for the Rawlins district.

25 A lady here talked about getting off nice -- the lady

1 talked about fires and the beetles. Well, I'll tell you a  
2 fact about fires. Wildland fires produce more carbon  
3 emissions than I don't know how many coal power plants. It's  
4 a lot.

5 And then the Department of Interior chooses to have a  
6 policy where they don't fight these fires, let it burn. These  
7 beetles would be killed. These beetles would be killed if the  
8 fire -- if that forest was healthy. You know, letting it  
9 burn, is that the right answer? I don't know.

10 I mean, the gentleman here talked about being a  
11 logger. Well, I'm sure he could tell you about how the  
12 logging has changed in the State of Wyoming. It's no longer.

13 More on coal, the war on coal whether it's from the  
14 current administration or administrations that are to come,  
15 war is a really horrible word. Why are we at war with our own  
16 people in our own country? I don't -- I don't understand  
17 that. That's not a term that I want to be heard or see.

18 A solution. You know, solutions for coal, I think,  
19 you know, the subsidies that are spent on another industries  
20 whether it's solar or wind, why aren't we spending that money  
21 capturing the emissions, making our power plants cleaner?

22 And now on statistics. I have very many. I have  
23 some, but other people have mentioned them. But 35 percent of  
24 the U.S. power comes from coal, which is 40 percent of that  
25 coal comes from the State of Wyoming.

1           So let's turn off all the power that that 35 percent  
2 equals 8.4 hours of your day. So turn off your power to your  
3 house. Turn off the power to Washington. Turn off the power  
4 to schools. Turn off the power to the grocery store and see  
5 what that gets you.

6           Thank you.

7           (Applause.)

8           DAVID BATTS:

9           MICROPHONE NUMBER ONE: Hello. I'm Roy Edwards,  
10 State Representative, House District 53 in the center of  
11 Gillette. I was raised in Campbell County. My dad was raised  
12 in Campbell County. My grandpa moved here to Campbell County  
13 as a homesteader.

14           I'm here to represent myself, my family, and the  
15 residents of Gillette, Campbell County, Wyoming, and a lot of  
16 annoying people in the United States, who are going to be  
17 affected by what's coming at them through the regulations and  
18 the taxes that are being proposed by the Department of  
19 Interior.

20           We need to make sure that the taxes that we have are  
21 fair. The energy industry and what they call the green energy  
22 is subsidized by the United States government.

23           When I was a little child, I grew up on the ranch  
24 that all we had for electricity was wind power. And when the  
25 sun went down, the lights went out. We had to have the power

1 from the batteries to keep the refrigerator and the freezer  
2 working to keep the food cool and froze the way it was  
3 supposed to be.

4 If we ran out of power, we'd lose our food. So we  
5 had to shut it off. We didn't have a TV. We didn't have all  
6 those luxuries every home in the United States practically has  
7 today. We couldn't afford to have that because of the  
8 electricity.

9 Wind generation, the only way it works is if you have  
10 a battery. The United States doesn't have a bunch of  
11 batteries to store the electricity. It has to have a base  
12 power which is made up of coal. Coal is the only way that we  
13 will have a base power that would be able to keep the lights  
14 on in America 24 hours a day, 7 days a week, 365 or -6 days a  
15 year, depending whether we're in a leap year or not.

16 We must have a reliable source of power. Green  
17 energy is not that. Green energy, as they just asked in a  
18 study that is being done for new wind generation, they want to  
19 be able to kill 11 eagles a year. If a coal mine does that,  
20 they will be put in prison or fined an exorbitant amount of  
21 money because of killing 1 eagle not 11 a year.

22 The solar power kills a lot of birds and insects.  
23 Those that talked about the environment, they don't take a  
24 very good look at the alternative energies that they call  
25 green energy.

1           The coal may be mining an area for a few years, but  
2   they won't be there for centuries. They will reclaim the land  
3   in a few years, not like the green energies which could be  
4   there forever blighting the country.

5           We have a country that is based off of free-market  
6   enterprise. Only the federal government is subsidizing one  
7   side to make winners and losers. The United States government  
8   needs to be out of the winners-and-losers business and let us  
9   as people make our own choice.

10           (Applause.)

11           If you like the way things are done with the  
12   regulatory government, move to Venezuela and enjoy the  
13   brownouts and blackouts. Thank you.

14           (Applause.)

15           DAVID BATTS: Thank you.

16           Group 71 to 75, come down to microphone number one.

17           And I turn it over to microphone number two.

18           MICROPHONE NUMBER TWO: I'm Clark Fairbanks. I'm  
19   with Youth Emergency Services, a nonprofit youth service  
20   agency in Gillette, Wyoming.

21           The Yes House has been serving youth and families  
22   since 1976, for 40 years. And you might be asking yourself  
23   why a nonprofit agency is here speaking to the BLM. I'm here  
24   because I think it's imperative that you hear more to the  
25   story. You've heard that the coal industry is paying \$0.40 on

1 every dollar in taxes and fees, but I'm here to tell you  
2 they're doing more than that.

3 They're supporting our schools, as you've heard, but  
4 they're also giving corporate dollars to our communities, to  
5 our nonprofits. They're providing board leadership  
6 volunteers, mentors to our children, and coaches.

7 Their dollars over the 40 years that the youth  
8 emergency services has been there has been given not because  
9 they had to, not because it was being taxed, but because they  
10 invested in our communities, and they're doing that across  
11 Wyoming.

12 There's a lot of talk at times in Wyoming about how  
13 Gillette has more than other communities, but there's a lot of  
14 that funding that is supporting our entire community, and  
15 they're giving it across our state.

16 I'm here to ask on behalf of the coal companies that  
17 you complete the programmatic environmental impact statement,  
18 that you not levy new taxes, that by allowing the coal  
19 companies, Cloud Peak or Powder River Basin coal companies to  
20 continue in the economic system that they've been operating in  
21 that they can continue to do more and continue to support our  
22 communities, to support our children and our families.

23 So thank you for your time.

24 (Applause.)

25 DAVID BATTIS: Thank you.

1           MICROPHONE NUMBER TWO: My name is Stacey Moeller.

2    I'm a production technician. I'm a coal miner. I'm here on  
3    behalf of my family and my fellow miners.

4           I will let the others discuss science and numbers  
5    because at the end of the day that's probably a wash. But  
6    have you thought about the moral issues of burdening the coal  
7    companies to the extent of bankrupting them? I do not  
8    advocate for those companies, but for the thousands of people  
9    who work in our mines and associated jobs in our communities,  
10   the effort to shut down coal is not bankrupting just the  
11   companies. They are bankrupting our communities and my  
12   people.

13           If you believe that this is not a moral issue, I  
14   would suggest you look in the face of a miner who's been laid  
15   off and wonders if will they be able to sell their home in a  
16   flooded housing market just so they can leave our state to  
17   find work. Feel their desperation and fear and tell me this  
18   is not a moral issue.

19           Walk the streets of our community that has been  
20   decimated by job losses. Explain to my children that their  
21   children will lose funding in our schools and programs that  
22   will soon affect not only our children but our teachers.

23           Are we not morally obligated to our people of our  
24   state, and really of our country that this will eventually  
25   affect?

1 I have worked 31 years in the Powder River Basin coal  
2 mines. And I'm pretty proud of it. I am a single parent. I  
3 have raised two exceptional children because they attended  
4 exceptional schools with exceptional teachers.

5 I have two grandchildren Tucker and (inaudible), and  
6 they're counting on us to not only make sound judgments but  
7 ethical and moral ones also.

8 There has to be a better way, and we must be given  
9 the time to find it without devastating our lives. We will  
10 not only be remembered for our deeds but we will be judged by  
11 the kinds of problems that we solve. Thank you.

12 (Applause.)

13 DAVID BATTIS: Thank you.

14 MICROPHONE NUMBER TWO: My name is Mark Kot. I'm the  
15 public lands planner for Sweetwater County. I'm here on  
16 behalf of the Sweetwater Board of County Commissioners. They  
17 have asked me to read a letter into the record.

18 This letter is addressed to Mitchell Leverette, chief  
19 of the Division of Solid Mineral Resources BLM.

20 "Sweetwater County would like to thank you for  
21 the opportunity to submit scoping comments  
22 regarding the Bureau of Land Management  
23 programmatic EIS to review federal coal, the  
24 federal coal program.

25 "In the development of the coal PEIS,



1 Sweetwater County strongly encourages the BLM to  
2 consider the following. Coal production  
3 provides approximately \$245 million to the  
4 annual assessed valuation of the county. This  
5 valuation helps support high quality public  
6 services including schools, roads, recreation,  
7 social services, and healthcare.

8 "The Sweetwater County coal mines of Jim  
9 Bridger and Black Butte together employ  
10 approximately 710 workers. With the 310  
11 employees who work at the coal-fired Jim Bridger  
12 power plant, the coal industry employs  
13 approximately 1,000 workers within Sweetwater  
14 County.

15 "The National Mining Association estimates  
16 that for every coal mining job, an additional  
17 3.5 jobs are created. This means the Sweetwater  
18 County coal creates approximately 350 additional  
19 jobs -- excuse me 3,500 additional jobs.

20 "Employees directly or indirectly related  
21 to coal production, their families, communities  
22 depend upon the stable coal and energy markets  
23 backed by sound federal policies. Without these  
24 stable markets and sound policies, jobs could be  
25 lost, home values could fall, and the economy of

1       our communities, county and state, will suffer."

2               Thank you.

3               (Applause.)

4               DAVID BATTIS: Thank you.

5               MICROPHONE NUMBER TWO: Before I start, I want to say  
6 I was so optimistic when showed up here this morning. I  
7 started my written comments, "Good morning." So I'm now going  
8 to good afternoon. My name is Brenda Schladweiler. I'm  
9 president of BTS Environmental Associates in Gillette,  
10 Wyoming.

11               We work reclamation all throughout the State of  
12 Wyoming. I'm very proud of the coal reclamation we have  
13 throughout this state. If you want any information, I am more  
14 than glad to share that with you.

15               I attended college in the mid to late '70s at a time  
16 when the federal Surface Coal Reclamation Act was in its  
17 infancy. Wyoming's Environmental Quality Act was ahead of the  
18 federal legislation. It served the state well in being  
19 progressive and protecting the environment during resource  
20 development.

21               I have been an environmental consultant based in  
22 Gillette, Wyoming, for over 30 years. My work primarily  
23 involves gathering natural resource data for energy-related  
24 projects including lease-buy applications and environmental  
25 impact statements.

1           This data is used by the State of Wyoming Department  
2   of Environmental Quality and Land Quality divisions to grant  
3   and modify mining permits for both coal and non-coal projects  
4   in addition to the BLM uses.

5           My intent this morning is to voice my concern on  
6   three areas. I'm not here to talk numbers. There are others  
7   that can address and have addressed that more eloquently than  
8   I can. As a scientist, I prefer to be logical and concise in  
9   my thinking and will limit the extent of my comments to these  
10  three points.

11          Number one, after 30-plus years of interpreting  
12  natural resources data or collecting that data for purposes of  
13  submittal to federal and state regulators, I have felt that  
14  the leasing process for coal as well as the state's permitting  
15  process is a slow methodical process that takes, quote, time,  
16  unquote.

17          That time frame has increased significantly since I  
18  began work in this area, a testimony to the complexity of the  
19  issues and the regulators' attempts to address those issues.  
20  Because of these safeguards, I do not see the need to revamp  
21  the coal leasing process.

22          Number two, the natural resource information gained  
23  by the citizens of this state during energy development is a  
24  valuable asset. These studies are funded by the energy  
25  developers and provide insights into soils, vegetation,

1 wetlands, wildlife, hydrology, archaeology, et cetera, that we  
2 otherwise would not have.

3 The knowledge base including the understanding of how  
4 these resources interact in our own landscape has been useful  
5 in applications and projects other than energy development.

6 Number three, energy development and environmental  
7 protection are not mutually exclusive. Over the course of my  
8 professional career, I have chosen to be involved in several  
9 controversial issues and have tried to provide that same  
10 logical thinking mentioned earlier. I choose to be moved by  
11 facts, not emotions. While I can appreciate the passion on  
12 both sides of any given issue, the best way, I think, that  
13 makes sense in the bigger picture.

14 While I've witnessed some train wrecks in policy with  
15 its implementation, the coal leasing program is not one of  
16 them. Again, I do not see the need to revamp this process.

17 As a postscript, I want say I was part of the coal  
18 layoffs in 1982. My life was turned upside down. Back then  
19 it was market. Today, much of it is federal policies. Please  
20 do not revamp the coal leasing program and release the  
21 moratorium as soon as possible.

22 (Applause.)

23 DAVID BATTS: Thank you.

24 MICROPHONE NUMBER TWO: Good afternoon. My name is  
25 Pamela Rucki, and I'm the executive director of CASA -- that

1 sounds for Court Appointed Special Advocates -- for the  
2 6th Judicial District. We provide services for abused and  
3 neglected children.

4 I'd like to take this opportunity to thank the coal  
5 industry for all the loyalty and support they have given us  
6 since our conception in 1999. We have been blessed enough to  
7 receive support through sponsorships, cash donations, as well  
8 as donations of employees' time to help ensure our success at  
9 any event that we chose to partake in.

10 My hope today is that we can educate on how much the  
11 economic crisis and the financial burden is causing stress on  
12 our community. We have witnessed devastation from individuals  
13 who have lost their jobs and watched as corporations that  
14 supported our community shut their doors.

15 Please understand, when the economy struggles, our  
16 family structure struggles. This is when nonprofits see our  
17 highest numbers. Our agency is seeing higher rates of  
18 substance abuse, domestic violence, depression, suicide rates,  
19 abuse, neglect in our communities due to layoffs.

20 The severity of our cases is already increasing, and  
21 the stress levels continues to elevate. The need for our  
22 services only increases; yet the financial support decreases.  
23 This is a huge issue for all of us. Please do not mistake  
24 that, just because you do not live in Wyoming, that it will  
25 not affect you because it will.

1           The individuals that utilize our services currently  
2 do this at no cost to themselves. These children, mothers,  
3 fathers, sisters, brothers, grandparents are not just a number  
4 or statistic. They are families. They are our community and  
5 our future.

6           The children in this country are often told they can  
7 do anything. They can be doctors, attorneys, ranchers,  
8 teachers, even President. So my question. If our funding  
9 goes away, but our numbers increase in the families that need  
10 this system and CASA closes its doors, who is going to stand  
11 next to our 236 children currently deemed abused and neglected  
12 and tell them they no longer have an advocate or a voice  
13 fighting for a chance for their circumstances to be different  
14 in this, when the economy crashed and resources went away?

15           Please keep that in mind. Thank you for your time.

16           (Applause.)

17           DAVID BATTS: If we can go ahead and have group 76  
18 through 80 come on down to microphone number two, and we'll  
19 get you queued up.

20           MICROPHONE NUMBER ONE: My name is Roxann Backer.  
21 I'm the executive director for United Way in Campbell County  
22 in Gillette.

23           I want to start out by saying that I'm discouraged by  
24 the fact that we, that I myself and so many others have to be  
25 here again today. We did this last summer. We came out by

1 the hundreds, and it's just a little discouraging that we have  
2 to do that again. Although we're happy to fight for the coal  
3 industry at any day at any time, it just seems like maybe this  
4 is a process that needs to be addressed as well.

5 United Way of Campbell County mobilizes the power of  
6 our community by uniting resources, raising awareness and  
7 empowering individuals. We envision a community where all  
8 individuals and families achieve their potential through  
9 education, financial stability, and healthy lives.

10 Our organization strategically invests resources in  
11 organizations and programs that provide efficient and  
12 effective services and opportunities to our friends,  
13 neighbors, and coworkers who may need a hand-up and not a  
14 handout.

15 We also invest in organizations and programs that  
16 teach children life skills such as decision-making, money  
17 management, business ethics, leadership, and that builds that  
18 good character.

19 This past year nearly every dollar invested by our  
20 organization into Campbell County was donated by businesses  
21 and their employees directly related to the coal industry.  
22 Because of those investments, over 21,000 people in Campbell  
23 County were able to access assistance from organizations or  
24 programs to help them through difficult times.

25 That number will dramatically increase this year.

1 The bottom line is that this proposed increase, this proposed  
2 change, and the other regulations coming down from our federal  
3 government will dramatically impact our community and your  
4 community as well, whether you live in Wyoming, Montana,  
5 Colorado, Virginia, Washington, D.C.

6 This is what I think so many people don't understand.  
7 The benefits that residents in our state receive from the coal  
8 industry is incomparable to any other state. So to hear so  
9 many people this morning who are so staunchly opposed to coal  
10 mining is very disheartening. And if you think keeping coal  
11 in the ground won't affect other communities across the  
12 country, you are sadly mistaken.

13 The ripple effect from this will pose challenges that  
14 this nation is not prepared to handle. This is a war I would  
15 not wage. Thank you.

16 (Applause.)

17 DAVID BATTS: Thank you.

18 MICROPHONE NUMBER ONE: My name is Rex Rammell. I'm  
19 a congressional candidate from Gillette, and I'm a friend of  
20 coal.

21 And let's call this what this really is today, a  
22 formality. I believe that with 40 or 50 years of data, you  
23 probably have enough material to assess the value of coal.  
24 Really what this is all about, isn't it, is destroying  
25 confidence in the industry so nobody will invest in the coal



1 companies?

2           Yeah, there might be 20 years' worth of coal to be  
3 mined some existing leases, but if nobody invests in the coal  
4 companies, they're not going to be any companies to mine it.  
5 I think the truth is that the BLM, the Forest Service, the  
6 EPA, US Fish & Wildlife, all the environmental agencies, I'd  
7 bet a thousand dollars you already know what you're going to  
8 do.

9           This is an effort to put an end to the coal industry,  
10 but you do it in the name of having to reevaluate it, take  
11 three years to do it, destroy confidence in the industry.

12           I think the only solution to this whole problem is to  
13 the transfer of public lands from the federal government back  
14 to the state.

15           (Applause.)

16           And with it, the abolition of the Department of  
17 Interior. We will no longer need you people. And your agenda  
18 will be destroyed, and we can go ahead, and we can mine coal,  
19 and we can have control over our future. That's what I think  
20 this is all about. And I know my comments will go no further  
21 than a stack of paper somewhere. Thank you.

22           (Applause.)

23           DAVID BATTS: Thank you.

24           MICROPHONE NUMBER ONE: Good afternoon. My name is  
25 Phil Dinsmoor, and I appreciate the opportunity to speak to

1 you today. I think I'm going to speak on my own behalf, but  
2 let me tell you what that behalf constitutes or is constituted  
3 by.

4 I've been involved in environmental impact statements  
5 and environmental studies for 45 years beginning back in the  
6 mid 1970s. I've been involved in the Wyoming coal industry  
7 for one year short of 40 years as either a regulator or a part  
8 of the regulating community. I've permitted. I've reclaimed.  
9 I've designed reclamation. I've assured compliance.

10 I currently serve on the Governor's Advisory Board  
11 for Land Quality Division. I formally served on the  
12 Governor's Advisory Board for the Air Quality Division. I'm  
13 serving -- I've lost count -- my 12th or 13th term as chairman  
14 of the Regulatory Affairs Committee for the Wyoming Mine  
15 Association.

16 I'm hoping that I have enough wherewithal to bring  
17 something from all that experience that you can use. I think  
18 I've got two points I'd like to make today.

19 The first is that the leasing process is but one step  
20 in a multi-step process, a multi-year process, and a  
21 multi-million dollar process. When Secretary Jewell wrote her  
22 memo in early 2016 saying that she was going evaluate the coal  
23 leasing process, she very specifically exempted the  
24 exploration process administered by both the Bureau of Land  
25 Management and the State of Wyoming, the permitting process

1 administered by the State of Wyoming, and SMCRA-related  
2 approval process administered by the Secretary of Interior.  
3 She focused her activities on the coal leasing process.

4 Now, with all the years I've been involved, it occurs  
5 to me that the leasing process gives me no authority as a mine  
6 operator to move an ounce of dirt, to remove a ton of coal, to  
7 sell a ton of coal, to ship a ton of coal, or to burn a ton of  
8 coal. The leasing process merely gives me the right to mine  
9 that coal once all the other authorizations, permits,  
10 certifications, and approvals are granted.

11 So it seems to me we're out of alignment when we talk  
12 about impacts associated with mining, burning, shipping,  
13 selling coal when all they're talking about here today is the  
14 leasing process. So I encourage the BLM, in the course of  
15 reviewing the valuation that should have been charged, to try  
16 and focus their activities or to focus on the leasing process  
17 and not all those other extraneous processes.

18 All of that said, the leasing process, as I mentioned  
19 earlier, is but an early step in a multi-stage process. We  
20 explore, we lease, we permit. We get mine plan approvals, and  
21 we add on other state and federal approvals, certifications,  
22 and improvements as appropriate to make that, to help that get  
23 done.

24 All of those processes involve many activities which  
25 are similar, which leads me to my second point, duplication.

1 If you really want to increase the return to the American  
2 taxpayer, one of the things you can focus on in this  
3 programmatic review is how to eliminate the duplication  
4 between all of the various programs, both state and federal,  
5 to an irreducible minimum because all those programs will be  
6 returned to the taxpayer.

7 Thank you very much for the opportunity to speak  
8 today.

9 (Applause.)

10 DAVID BATTS: Thank you.

11 MICROPHONE NUMBER ONE: Hello. My name is Laura  
12 Blake. I work for Thunder Basin Coal. My husband does as  
13 well. We've had the privilege of living in Wyoming for nine  
14 years, and we're in the process of raising our two beautiful  
15 girls.

16 I'd like to say that without coal, our livelihood and  
17 our quality of life would not be possible. We have every  
18 reason to thank the coal companies for what we have today.  
19 We, like thousands of other young families in the Powder River  
20 Basin, are working to give our children a better future and a  
21 better opportunity, better than what we had when we were  
22 growing up, which is made possible by coal.

23 Few other incomes in Wyoming or in other states are  
24 comparable to what the coal mines offer in terms of wages,  
25 benefits, and quality of life. In short, the income from coal

1 is virtually irreplaceable.

2 Announcing to review our royalty rates is a facade to  
3 the real intent of these changes. It is a political ploy to  
4 force the Administration's ideological agenda for climate  
5 change on a public resource.

6 Coal also plays a major role in the money generated  
7 for the federal government. The public does benefit from the  
8 programs, services, and facilities that coal has continued to  
9 pay for. The question is is the public getting fair market  
10 value for the public resource for federal money generated from  
11 coal. In my opinion, the answer is absolutely not.

12 While I believe the mines and the mine companies pay  
13 enough already, we should also be asking the question that is  
14 really key to this issue. Is the federal government using  
15 this money from development of a public resource, are they  
16 using this money in the best possible way?

17 Money from federal coal should be allocated to clean  
18 coal research to further advance the use of one of the most  
19 abundant, lowest cost and most reliable fuels in the world.

20 It should not be used to pick winners and losers in  
21 the energy sector by subsidizing unsustainable alternative  
22 energy that is more expensive and less reliable. It should  
23 not be used to impose onerous new regulations aimed at killing  
24 coal at any cost.

25 Keeping existing royalty rates is enough. The

1 federal government should be using these funds in the more  
2 responsible way to benefit its citizens, not take our  
3 high-paying jobs right out from under our feet.

4 Thank you.

5 (Applause.)

6 DAVID BATTS: Thank you.

7 MICROPHONE NUMBER ONE: Good afternoon, everybody.  
8 Thank you for taking the time to come out from Washington.  
9 Linda and CJ -- Al and MJ, thank you, Mary Jo.

10 Okay. I want to start out with my name is Richard  
11 Garber. I'm from Sheridan, Wyoming, and I'm here representing  
12 the Sheridan County Chamber of Commerce. I'm the chair of  
13 that board this year. I'm retired from John Deere. I spent  
14 32 years with John Deere.

15 I won't go into what our conversations used to be at  
16 what it's going to take energy-wise to feed the world in  
17 50 years, but it's going to take a lot of energy.

18 I want to just sideline for a second with a  
19 comparative analogy. I have a daughter that graduated from  
20 college in the late '80s and she went to work at Wyoming  
21 Sawmills, a sawmill in Sheridan, Wyoming. And as timber  
22 decreased and was harder to get, the mill got slower and  
23 slower, and finally it closed. The many jobs went down the  
24 tube.

25 This happened all over Wyoming. It happened all over

1 Montana. I don't want to see that happen to the coal  
2 industry. In order for that not to happen, we have some work  
3 to do.

4 I hope that these comments today aren't falling on  
5 deaf ears. With you all, I'm sure they're not. But I wanted  
6 to just say, Al, when you started out this morning, you were  
7 talking about Secretary Jewell's order No. 3338, I kind of sat  
8 back in my chair. You said, "Order."

9 I said to the gentleman sitting next to me, "Did he  
10 say 'order'?"

11 And, "Yeah."

12 Possibly a better word than "order" might be  
13 "resolution" or something. And it just kind of got my  
14 attention. My role in life has always been, when I was trying  
15 to bring a group of people to form a coalition or come up with  
16 a group decision that was for the greater good, I never  
17 ordered anybody to do anything. So just a suggestion. And  
18 the only time I ever really took orders from anybody was in  
19 the army.

20 I wanted to stay how fortunate we are here in Wyoming  
21 with the minerals we do have. We are fortunate that we have  
22 coal, gas, trona, grain, rare earth minerals and several I  
23 haven't mentioned. Those all require, you know, good dialogue  
24 between government -- a lot are on federal ground -- and the  
25 people here that mine those minerals.

1           And my personal experience with coal, I've been a  
2   native of Wyoming. I'm a fourth-generation native of  
3   Sheridan, but Cloud Peak Energy has been a model role as far  
4   as I'm concerned in Sheridan. Their Spring Creek Mine is just  
5   across the line.

6           As a matter of fact, they presented at a chamber  
7   lunch we had last week with a PowerPoint program explaining  
8   where they're at in the business today. They felt they dove  
9   deeply into the reclamation projects, proud of their  
10   reclamation projects. They've done a great job.

11          And just to add some comments here today. What  
12   they've done is stellar with their reclamation, proud of it.  
13   It's got game on it. Being familiar with that area growing  
14   up, most of it produces more than it did before they got  
15   there. So there are lots of good things that happen with  
16   that.

17          Climate change, I just want to mention very quickly  
18   and don't want to get into a big dialogue on climate change,  
19   but you know, if time was as high as from the floor to the  
20   ceiling, we've been here about a width of a hair on the floor.  
21   And climate change has been going on for millions of years.

22          I'm sure all of you have read about and know the  
23   scientists have found evidence of tigers in Greenland, an  
24   indication of where we used to be and the land change  
25   connecting us with Asia. Climate change has been here a long



1 time. That's not to say we don't have to worry about the  
2 climate and address it, but I think we need to do it  
3 intelligently.

4 And I think that with what's coming with the clean  
5 air standards that are being developed for coal that have to  
6 take place by 2030, I believe it is.

7 Why can't we extend this out to a distance like that  
8 in a matter of time that's a short period of time and put our  
9 heads together and work on such things as our EIS system up in  
10 Gillette or our clean coal technology, carbon extraction, and  
11 work together on this and have some good dialogue together  
12 instead of loggerheads?

13 Thank you.

14 (Applause.)

15 DAVID BATTS: We're going to call down what will  
16 probably be our last group 81 to 85. For those of you who  
17 still have speaker cards, apologies that we weren't able to  
18 get through more speakers, but please do submit comments.  
19 Again that closing date is going to be July 28, and really  
20 we'll take comments throughout this whole EIS process. The  
21 date that we're putting on there is so we can prepare the  
22 public scoping report and get that out in a timely manner for  
23 you all to review.

24 LINDA LANCE: Dave, can I just ask for people to  
25 raise their hands how many other people are here that signed

1 up to speak and haven't had a chance to.

2 DAVID BATTS: We have a question for the number of  
3 people that signed up to speak and haven't had a chance to  
4 speak yet?

5 LINDA LANCE: I mean, I think, as far as I'm  
6 concerned, if it's okay with everybody else, we'll hang here  
7 as long as we can to hear from all of you.

8 (Applause.)

9 If that works for everyone else. I have to catch a  
10 plane or else I can't get to Utah for the next meeting.

11 DAVID BATTS: Linda, can you speak into the  
12 microphone.

13 LINDA LANCE: Oh, sure. Yeah, but I am so grateful  
14 to you all for coming here and taking your very valuable time  
15 to talk to us. You've been very thoughtful and productive,  
16 and, you know, we're very grateful for that.

17 So if there's any way we can work you in, I  
18 definitely want to do that. I don't want you to have sat here  
19 all day and we don't have a chance to hear from you.

20 So if everybody can be very conscious of the  
21 three-minute time thing, and we'll move along as quickly as we  
22 can and hopefully will be able to hear from everybody. I  
23 think we've got a shot here. So let's take it, if that's okay  
24 with everybody else.

25 MICROPHONE NUMBER TWO: My name is Michael O'Leary.

1 I'm from Portland, Oregon. I'd like to thank the BLM for this  
2 process. I was at the listening session in Billings last  
3 year. I feel like to move forward on any issue at the federal  
4 level there's so many different interests at stake here. It  
5 represents a lot of effort on your part. So I appreciate you  
6 kind of digging in on stuff that's not easy.

7 And I'd also like to thank everybody here as the host  
8 in Wyoming. I've learned a lot today. I've been here since  
9 8:00 like a lot of you, and I look forward to hearing the last  
10 few speakers.

11 I encourage you all to come on out to my  
12 neighborhood. There's going to be a Seattle hearing  
13 June 21st, and invite you all to hear all the concerns and  
14 questions that we have about federal coal policy because  
15 there's more than just my opinion out in my neighborhood, but  
16 I think you'd get a better sense of it than just listening to  
17 me.

18 And, again, I'm here because I do consider this a  
19 national policy debate. It's not about one permit or one  
20 project or one piece. This is a big picture question. It's  
21 actually a question I've been asking for years since I've been  
22 paying attention to this.

23 When I started Googling this, I realized that my  
24 governor, Governor Kitzhaber asked for a programmatic  
25 environmental impact statement on coal in 2012. So this is

1 not a new idea, but we're getting to it.

2 Hopefully, we'll get to it in time, and my point is  
3 we are running out of time. If I have anything more to say to  
4 you that you can remember, it's urgency.

5 In 2013, the Columbia River lost a fishery for the  
6 sturgeon. This is a prehistoric fish, a fish of the age of  
7 the dinosaurs that survived the Ice Ages. This fish can grow  
8 to be a hundred years old. It's unfortunately a bottom-feeder  
9 which makes it very susceptible to any sort of pollutants.

10 It also makes it very susceptible to sucking up dead  
11 fish as a part of that feed. And its reproductive system has  
12 been compromised, no longer reproducing. We have not been  
13 able to have a fishery on that for three years. It's not  
14 recovered yet. There's no harvest, zero harvest. Population  
15 not rebounded for three years. That's bad.

16 Then, of course, there's last summer. Some of you  
17 may remember my remarks then because we'd just experienced it.  
18 We had an unprecedented temperature shock in the State of  
19 Oregon. Rainy Oregon, we lost 90 percent of our sockeye  
20 salmon, 50 percent of the coho run that was expected to  
21 return.

22 This year we've had unprecedented temperatures again.  
23 April was a record high April for Oregon. Days were six  
24 degrees above the record temperature. That's ridiculous. We  
25 are experiencing climate change now. We are at the front end

1 of it.

2 We get atmospheric deposition from China that falls  
3 on our coastal waters. Because of our Cascades and how the  
4 rain-shed drops everything down after it crosses the Pacific,  
5 we get acidification first. We get the mercury.

6 We are asking you to consider the climate impacts,  
7 the water pollution impacts with those coal trains, the  
8 temperature impacts of climate change, economic impacts to our  
9 fisheries and communities that depend on it.

10 They're small towns that used to be the commercial  
11 center of fishing that are just sport-fishing now. We're  
12 going to lose it in a very comparable way to what I'm hearing  
13 here about coal jobs and what I know has already happened in  
14 our state on timber jobs.

15 Think of us as you think about yourselves in a very  
16 parallel way. These are not easy answers. These are not  
17 cheap answers. These are expensive, difficult answers, and  
18 please don't forget the West Coast when you think about your  
19 local mines because we're all connected.

20 Thank you.

21 DAVID BATTS: Thank you.

22 MICROPHONE NUMBER TWO: Good afternoon. My name is  
23 Heather Ross. I'm the executive director of the Children's  
24 Advocacy Project right here in Casper. It sounds like I have  
25 a lot of feedback. Is that just me?

1 LINDA LANCE: It's fine up here.

2 MICROPHONE NUMBER ONE: I'm a second-generation  
3 American and a second-generation Wyomingite, proud to have  
4 called Wyoming my home ever since I was born and raised here.

5 Today I came to talk about coal and how coal affects  
6 my community right here in Wyoming. Coal affects the families  
7 who mine coal. It provides fair wages for blue collar workers  
8 which create healthier children who my program serves. It  
9 ensures less of a financial burden on young families who have  
10 a lot of other burdens they have to sustain while they're  
11 raising their children.

12 But coal also affects those people who don't mine in  
13 Wyoming. You guys know the numbers. Everyone has talked  
14 about them. 40 cents on the dollar, coal educates our  
15 children and maintains our highways and sustains our  
16 communities. It directly supports nonprofit programs,  
17 nonprofit programs just like mine and many of the other  
18 programs that you've heard talked about here today.

19 So really I want to talk about our environment  
20 because that's what a lot of people have come here to talk  
21 about today. And guess what, coal does affect our  
22 environment. It provides the land. Here in Wyoming we all  
23 love our lands. We are the fishermen. We are hunters. We  
24 are the campers. Whether you go out and bird-watch or whether  
25 you float the rivers, we all love our land here in Wyoming.

1           Our outdoor lands are not something we read about in  
2 books that are away in far-away countries that we have to  
3 visit from afar. They're right up the hill right here by  
4 Casper Mountain, the Big Horn Mountains, the Tetons. Anywhere  
5 you drive, you're going to find incredible views and  
6 incredible wildlife.

7           And we want those companies who are responsible and  
8 who follow the rules. That's what we have right here in  
9 Wyoming. We're proud of the Big Horns and Powder River Basin  
10 and how they have mined those areas and still sustained the  
11 incredible wildlife that we have there.

12           Our lands are some of the most healthy land in all of  
13 the country. The Wyoming and federal lands are the most  
14 well-taken-care-of lands right here in Wyoming.

15           We know how hard it is to work on environmentalism,  
16 and we believe in it right here in Wyoming, and we're willing  
17 to do that. But we also know that we have to sustain our  
18 families. We have to sustain our children and provide  
19 valuable jobs to our families that live right here.

20           Unlike many that came here today, my family has never  
21 worked coal, not even aunts, my uncles, not even my cousins.  
22 But I don't deny it for a second coal affects me, it affects  
23 my community, it affects our state, it affects our nation  
24 right here, through the families who live here, pay taxes  
25 here, and take care of our environment right here.

1 Thank you for your listening.

2 (Applause.)

3 DAVID BATTS: Thank you.

4 MICROPHONE NUMBER TWO: My name is Wyatt Christensen.

5 I am a student at University of Wyoming. I am a  
6 fifth-generation Wyomingite, and I'm a concerned citizen.

7 I choose not to live in darkness, oppression, or  
8 fear. That is why I am so grateful that I was blessed to be  
9 born and raised in the United States of America. The  
10 foundations of our country were built upon giving the people,  
11 giving us the opportunity and the rights to provide and fight  
12 for our families.

13 I recently returned from a two-year mission. I was  
14 in Ireland. I loved the country. But one thing I noticed is  
15 many of the homes that I was in, people didn't have their  
16 lights on during the daytime. Sometimes it was light enough,  
17 but a lot of times it was raining. So it would be kind of  
18 dark and cold because people didn't want to pay for  
19 electricity. And that's one thing that I fear.

20 If coal is pushed out of the picture, I'm afraid  
21 people will be afraid to use energy. People will be worried  
22 about the price that is required both financially and also  
23 other ways.

24 Today families all over the nation are being bound by  
25 federal regulations. Regulations that apply to coal and



1 Wyoming today are not meant to help the American family. They  
2 are meant to kill the coal industry.

3 The foundation that this country was built on to make  
4 it so that I can provide for my future family and for my dad,  
5 who spoke earlier, to provide for us, that's not what these  
6 regulations are for. These regulations are meant to kill, and  
7 so in turn, they will force American families to search for  
8 other means and to sacrifice to find means to survive.

9 I have nothing against improving and using  
10 alternative energy sources, but if we choke coal out of the  
11 picture, our future for continued progress at the rate we have  
12 experienced is hopeless.

13 Should we not continue to use and improve our  
14 production of clean coal which we have fought for, which we  
15 have seen such great progress and growth in? Yes, we should.  
16 We must continue to move forward always becoming better and  
17 smarter with what we do.

18 If we pull the legs for coal, then the table will  
19 fall. Let us do things for the right reasons. This is not  
20 about money or power for us, and it should not be about money  
21 and power for our government.

22 This is about families. This is about the very  
23 people that our founding fathers and so many of others worked,  
24 fought, and even died for. Remember that and then live to  
25 accomplish the dream that our fathers and we have for our

1 families and future children. We must do the right things  
2 because they are right. Then we cannot go wrong.

3 Thank you.

4 (Applause.)

5 DAVID BATTIS: Thank you.

6 MICROPHONE NUMBER ONE: Good afternoon. My name is  
7 Beth Goodnough, and I am representing Western Fields  
8 Association and Western Fields Wyoming, Inc. Before I begin,  
9 I just wanted to give you background that my husband have been  
10 involved with the coal industry in Wyoming for over 32 years  
11 each. So we're well-versed in the various issues that we're  
12 walking through today.

13 Our Western Fields Association and Western Fields  
14 Wyoming, Inc., are both not-for-profit cooperatives that  
15 produce, procure, and deliver over 17 million total tons of  
16 coal to utilities in the rural Great Plains, Rocky Mountains,  
17 and Southwest regions of the United States.

18 Our services assist with the generation of an  
19 estimated 4,400 megawatts of electricity, enough to supply the  
20 electricity needs of more than 3 million households.

21 Our service territory consists of mostly rural  
22 households and some of the most persistently poorest counties  
23 in the country. Our customers are concerned about the impact  
24 of the Clean Power Plan as well as they should be. The Clean  
25 Power Plan is projected to -- depending on what study you

1 read -- either raise electricity prices by more than  
2 10 percent or double or triple the price.

3 This will be coupled with losses of 260,000 jobs  
4 annually between 2020 and 2040. Therefore, while the Clean  
5 Power Plan calls for reducing coal use by 32 percent  
6 nationwide, the market replacement technology is simply not  
7 available or would wreck the economy to try to implement by  
8 2030.

9 Given the projected negative impacts to the economy  
10 due to the Clean Power Plan, it is imperative that the BLM  
11 retain a reasonable and practical federal coal leasing program  
12 in order to keep the lights on in this country and especially  
13 in rural America.

14 We urge the BLM to make the following changes to its  
15 program. Number one, do not kill the goose that lays the  
16 golden egg. Instead of raising royalty rates, lower them.  
17 Raising rates will result in lower revenues to the federal and  
18 state governments.

19 Number two, streamline the federal coal leasing  
20 program. It takes between 10 and 15 years to obtain the lease  
21 plus all the other permits that are needed before you can  
22 begin mining a tract of coal. Do not change the current lease  
23 valuation program by adding in unproven permitting processes.

24 Number three, remove the moratorium on coal leasing.  
25 Our rural cooperatives are concerned with the gaps in coal

1 availability that we believe will occur due to the moratorium.

2           Number four, if you do make changes that result in no  
3 leases, you must include measures to reset that program in  
4 order to lower those royalty rates so that we can get leases  
5 going again. So have a safety valve in your process.

6           Our rural customers will be disproportionately  
7 impacted by the Clean Power Plan due to the loss of jobs and  
8 higher electricity prices. Many are the same miners, railroad  
9 people, miners and construction workers recently laid off in  
10 Wyoming and Montana.

11           We ask you not to make massive changes in the coal  
12 leasing program that will result in additional large increases  
13 in cost to our rural customers.

14           Thank you.

15           (Applause.)

16           DAVID BATTS: Thank you.

17           MICROPHONE NUMBER TWO: My name is David Simonson. I  
18 work for Wyoming Machinery Company, a supplier to the coal  
19 industry. I've been with them for 35 years. They've provided  
20 a great living for my family.

21           Up until recently, our company has been operating  
22 with approximately 750 to 780 employees, some of them second-  
23 and third-generation employees of Wyoming Machinery Company,  
24 and approximately half of them reside in the Casper area.

25           The recent job losses in the Gillette coal mining

1 industry have been followed by comparable levels of layoffs  
2 and job reductions in the company I work for just this last  
3 week.

4 Coal mining brought one of my grandfathers from  
5 Pennsylvania to Wyoming to better himself and his family's  
6 prospects in a healthier coal industry. Coal taxation pays  
7 for most of the educational system in the State of Wyoming.  
8 It pays the wages of my wife who is a teacher. It pays wages  
9 of my father who was a high school teacher and has provided a  
10 secure state retirement for my mother and the same for my  
11 father-in-law who was an educator.

12 Every coal mining job that is regulated out of  
13 existence eliminates at least three additional service support  
14 jobs, reduces federal and state revenues, and reduces the  
15 incomes of every citizen of Wyoming with really no  
16 quantifiable benefit to our nation.

17 Current royalty rates and compounded taxes and fees  
18 of the coal industry are above all other industries and above  
19 the market of those charged for private lands in other states,  
20 and if increased, it will only result in decreased production  
21 and decreased return on investment for federal and local  
22 taxpayers.

23 That hurts schools, roads, infrastructures. It hurts  
24 everyone in Casper, the State of Wyoming and also the  
25 federal -- the rest of the United States. The federal, state,

1 and local governments are getting more than a fair return on  
2 the federal coal leases.

3 We also need to immediately lift the moratorium on  
4 federal coal leasing, which is simply political pandering to  
5 wealthy political donors and yet putting mining processes at  
6 risk because of the way mines have to go through coal.

7 The lease-buy application process is effective at  
8 seeing that a fair value is received on federal leases. If  
9 the amount of the bid is too low, it's simply rejected and  
10 re-auctioned.

11 The American citizen is getting a great deal when you  
12 think about the bonus bid on federal coal and, when combined  
13 with the coal royalty rate, making it an effective payment  
14 rate of 22 percent. That's considerably higher than royalty  
15 rates paid on state or private lands.

16 The federal coal program provides substantive  
17 revenues to the federal and state governments amounting to  
18 \$13.8 billion since 2003. Since I've been participating in  
19 these public meetings, there seems to be an overwhelming  
20 amount of evidence that the coal royalty rates being paid for  
21 federal coal are more than fair and providing good value to  
22 the U.S. taxpayer.

23 The solution to getting greater value from federal  
24 coal is for federal agencies to stop attacking the industry  
25 through increased regulatory uncertainty and taxation and let

1 it compete in the marketplace with alternative energy sources.

2 American's industry and population benefit from  
3 predictable and low electricity costs achieved through thermal  
4 coal. Thermal coal has done more to improve the quality of  
5 life in the United States than any other single item.

6 This is an American resource, best used to make  
7 America more competitive and energy independent in this global  
8 economy that we're in.

9 Thank you for your time this morning.

10 DAVID BATTS: Thank you.

11 Let's get another group of five down, 86 through 90  
12 over to microphone number two, please.

13 We'll turn it over to microphone number one.

14 MICROPHONE NUMBER ONE: Good afternoon. My name is  
15 Lecia Craft. I'm an environmental supervisor for a Wyoming  
16 coal company at the Black Thunder Mine. I am very proud to be  
17 a member of the team that produces the coal that keeps the  
18 lights on and provides an abundant resource for electricity.

19 My group obtains the permits required to mine the  
20 coal, oversees compliance and reclamation activities. Black  
21 Thunder Mine has been operated for now almost seven years with  
22 a perfect environmental compliance record, something we're  
23 very proud of.

24 The statement that the mines are not completing the  
25 required reclamation is completely false. Black Thunder has

1 approximately half of all their disturbed land in permanent  
2 reclamation. The reclaimed land is being grazed by local  
3 ranchers and are more productive than native lands.

4 Wildlife is abundant including a herd of elk  
5 frequently seen grazing on the reclamation. Black Thunder and  
6 many other mines have been recognized for outstanding  
7 reclamation achievements by a number of agencies including the  
8 Office of Surface Mining and the State of Wyoming.

9 The need to reevaluate the current coal leasing  
10 process is unfounded. Prior to BLM leasing any coal, an  
11 extensive NEPA evaluation is already required including the  
12 evaluation of greenhouse gases.

13 Even once this is completed, additional state and  
14 federal permits must be acquired before the first shovel of  
15 dirt can be moved. The entire permitting process extends well  
16 beyond ten years and needs to be streamlined, not lengthened.  
17 Implementation of the coal leasing moratorium only adds  
18 further uncertainty to an already cumbersome permitting  
19 process.

20 My husband and I also have a retail business. To  
21 believe that the impact from restricting additional coal  
22 production will only have impacts on the immediate coal mining  
23 communities is extremely short-sighted. Our business is  
24 located in South Dakota, and it has been directly impacted and  
25 will continue to be impacted as long as the war on coal is not



1 stopped.

2 Increasing the coal royalties has one consequence,  
3 and that would be keeping the coal in the ground. If the coal  
4 remains in the ground, there will be no revenue for the  
5 American public. The assault on coal that is masked as  
6 environmental protection should be exposed for the political  
7 agenda that it truly is.

8 The American public deserves an affordable and  
9 reliable source of electricity, and coal can provide that.

10 Thank you.

11 (Applause.)

12 DAVID BATTS: Thank you.

13 MICROPHONE NUMBER ONE: My name is Shawwna Punteney.  
14 My family has been in Wyoming for five generations. Walt  
15 Punteney ran with the Hole in the Wall Gang. So we're a  
16 family of renegades here.

17 We've been in the coal, oil, and gas industry in many  
18 different capacities for as long as I can remember. We've  
19 been very lucky in that, during busts over different sectors,  
20 we've still been able to thrive.

21 But today that's not the case, and thousands of  
22 families are suffering as a result, my family being one of  
23 them.

24 I want to pose a question. If bankrupting businesses  
25 and families through regulation after regulation is what our

1 administration really wants, how is it moral to bankrupt  
2 companies and leave so many families without a way to move  
3 forward?

4 Fossil fuels compromise 80 percent of the world's  
5 energy use. Our industries are the cleanest in the world and  
6 have allowed all of us to live better and longer lives. I  
7 don't understand why wind energy is not held to the same  
8 standard as ours.

9 I recently heard and read that exemptions will be  
10 made for the wind industry killing thousands of birds, not 11  
11 as was stated earlier, but 4,200. This is hypocrisy at its  
12 finest.

13 For many of you who leave Wyoming and go back to your  
14 homes, you will buy cheap and reliable energy. Wyoming  
15 families like mine are left here with not really knowing what  
16 we're going to do and how we're going to move forward.

17 My husband is a chemical engineer with 28 years of  
18 experience and has not been able to secure employment in his  
19 industry as a result of the layoffs that have been because of  
20 this Clean Power Plan. And our family is struggling because  
21 of it.

22 This isn't just going to be about my family, but it's  
23 going to be about thousands of others, and it will continue to  
24 spread beyond the borders of Wyoming. And I would ask that  
25 you share that with your administration in whatever power that

1 you have to help the people in Wyoming and people across the  
2 United States because this won't stop, I promise you.

3 Thank you.

4 (Applause.)

5 MICROPHONE NUMBER ONE: Good afternoon. My name is  
6 David Kline, and unlike a lot of people here, I'm really not  
7 going to say much because most of it's already been covered.  
8 So a lot of the stuff has been said, and I won't go ahead and  
9 go through it.

10 I'm an environmental engineer at the Black Thunder  
11 Mine with the Thunder Basin Coal Company, and I, like most of  
12 them, are very proud to be member of the team producing  
13 affordable coal for our nation, which supplies us with  
14 reliable resources of affordable electricity.

15 The need to increase the coal royalties under the  
16 pretense that the American public is not receiving a fair  
17 market value for the sale of the coal is unfounded. The coal  
18 companies are currently paying, as everybody knows here,  
19 upwards of 40 percent on the sale price for the federal and  
20 state taxes and fees while other energy sources such as  
21 renewable sources rely heavily on subsidized -- subsidies.  
22 They're unreliable and more expensive.

23 The American public deserves an affordable and  
24 reliable source of electricity. Like everybody said, in 2014,  
25 coal companies paid approximately \$1.1 billion to the revenue

1 of state and local governments. The construction benefit is  
2 there were over a hundred schools that have been built, have  
3 been built with this money. It has favored everybody in the  
4 State of Wyoming. It has favored me. I have raised my family  
5 in the state of Wyoming, and I have taken advantage of the  
6 situation. It has helped out great.

7 The coal royalties currently provide sufficient value  
8 and should continue to provide values for the American public  
9 as long as the coal is allowed to be mined. Further  
10 restrictions on coal production will severely impact the local  
11 and state economies. Coal jobs are some of the highest-paying  
12 jobs, as everybody's been saying earlier.

13 For every coal job lost, there's three to seven  
14 additional jobs, service jobs that are also lost throughout  
15 the community and the country.

16 We are not just talking about coal mine jobs here.  
17 We are talking about the livelihood of our nation. As Bill  
18 said earlier, you know, we talked about a few issues with the  
19 BLM and the permitting issues, you know. We need to get rid  
20 of the redundancy. It took ten years is what it will take to  
21 roughly get a permit before you turn the first shovel of dirt.  
22 Okay. That's a big commitment on those corporations and these  
23 companies to put out there. But they have put their name on  
24 the line that they're willing to take that long extension.

25 I've been in the mining business now for 36 years.

1 I've personally seen what this industry has done for our  
2 community and our country. We cannot afford to leave this  
3 resource in the ground and overlook the revenue it brings to  
4 our local, community, state, and federal governments.

5 One little story I have is we have a neighbor -- I  
6 live in Newcastle -- they came into town and they fought the  
7 railroads. They were in the paper all the time.

8 One day they called me up and asked me if they could  
9 come out for a tour. They came out for the tour, and this is  
10 a rancher. When he left that, he was so amazed with the  
11 reclamation that everybody is saying we don't have that he  
12 said that, if he had coal under his land, he would allow any  
13 mine in the basin to come out and mine his coal land, they'd  
14 done that good of a job.

15 Thank you.

16 (Applause.)

17 MICROPHONE NUMBER ONE: My name is Travis Deti. I am  
18 the assistant director of the Wyoming Mining Association, and  
19 I'm going to read off my phone so I would appreciate your  
20 indulgence if I screw up a little bit.

21 Thank you, first of all, for the opportunity to  
22 comment on BLM's review of the federal coal leasing program.  
23 As you pursue the review of this vital program, we believe it  
24 is imperative to look at areas where actual improvements can  
25 be made to make the program better.

1           For example, we support addressing the lengthy and  
2   costly time frame for acquiring and processing coal leases,  
3   determination of fair market value and increased transparency.

4           BLM is charged with ensuring the resource is managed  
5   responsibly, and we hope that it would take steps to ensure  
6   that the political efforts to use the coal leasing program to  
7   further burden the industry and curb coal use are avoided.

8           Attempts to restrict access to the resource through  
9   royalty rate increases, for example, are in no one's interest.  
10   BLM must look at improvements to manage the resource  
11   appropriately in a manner that does not put it off limits and  
12   make it uneconomical to mine for political reasons.

13          Additionally, it's presumed that BLM is exploring  
14   using a nebulous, anecdotal, and social cost standard when  
15   determining fair market value. Attempts to artificially  
16   increase the fair market value and raise costs of leases on  
17   leased grounds appear political with the intent of making the  
18   resource uneconomical to develop.

19          If the agency does choose to pursue this, we surely  
20   recommend the inclusion of a much more empirical social  
21   benefit standard to include not only the positive economic  
22   realities of vital jobs and revenues, schools, and  
23   infrastructure but the measurable positive contribution and  
24   reliable low cost electricity for our country and the world.

25          The BLM federal coal leasing program is a great value

1 for the taxpayers and those who rely on affordable  
2 electricity, in other words everyone. No one is being  
3 short-changed.

4 While they're making room for process improvements,  
5 continuing the program is certainly in the best interest of  
6 Wyoming and the United States of America.

7 Your decision on the program will have real impact on  
8 real people, and I implore you to keep that in mind.

9 Thank you for time and consideration.

10 (Applause.)

11 DAVID BATTIS: Thank you. We're going call up group  
12 91 through 95. And I think what I might request, so we can  
13 figure out how many more folks we have, if you're not in that  
14 group, if you could just sit in this group of blue seats  
15 behind this group, and we'll make sure that we work you in as  
16 quickly as possible.

17 Okay. We'll turn it over to microphone number two.

18 MICROPHONE NUMBER TWO: Thanks for the opportunity to  
19 speak to today. My name Robert G. Short. I reside in  
20 Converse County, Wyoming, where I sit as a county commissioner  
21 and business owner.

22 I am an investor for my family, friends, energy  
23 workers, and I made this my county, my state, my countrymen,  
24 and my country.

25 One common thread binds all sectors of our great

1 country -- reliable, affordable, stable electrical power. The  
2 economic prosperity of our great country is directly  
3 attributable to American ingenuity, the limitless Wyoming work  
4 ethic, and electrical power. Indeed, our national security is  
5 inextricably bound to the state of electrical power. Every  
6 facet of our lives is coupled to the availability of reliable,  
7 cost-effective electrical power.

8 CO2 associated with the generation of electrical  
9 power has been a focal point used against coal. Apparently,  
10 very little effort has been made to evaluate the positive  
11 aspect of mining lands that are reclaimed to an improved  
12 state, which provides outstanding wildlife habitat, recreation  
13 activities, and agricultural benefit.

14 We understand that oil is as critical to our country  
15 as is coal, and we allow OPEC to dictate to us what oil we  
16 will produce on our own and that which we will purchase from  
17 them. Now it seems our own government is to going to dictate  
18 which coal we will have available and that which we will not.

19 Would this EIS be comprehensive enough to take into  
20 account the critical nature of electric power in our country,  
21 national security, energy production of every sort, even green  
22 energy?

23 Economic stability and national prosperity are rooted  
24 in stable, affordable electrical power. Expect the cost of  
25 everything in our everyday lives to increase dramatically if



1 you arbitrarily assign punitive costs to coal in an effort to  
2 justify more costly electric power which will be economically  
3 damaging and have a negative effect on the entirety of our  
4 country.

5           Socioeconomic impacts associated with higher electric  
6 costs will ripple throughout our country while we focus on the  
7 impacts of using coal for electrical power. We completely  
8 disregard the impact of not using coal. We cannot allow a  
9 cleverly disguised, artificial inflation to mandate more  
10 costly, lower reliability, less-stable electrical power supply  
11 for our country. Anything that results in higher cost to all  
12 citizens of the U.S. is not a fair return.

13           To date, very little has been done on a national  
14 level to utilize CO2. Instead, it's used to look for the next  
15 silver bullet to cure all of our environment woes, and we  
16 continue to attack the source of our perceived problem, coal.

17           The problem is that coal is not the problem.  
18 Greenhouse gas concerns associated with coal can be virtually  
19 negated through a flue-stream capture, value-add reuse in the  
20 extraction of oil, to name but one methodology.

21           The mining companies must be able to predict  
22 extraction timing, logistics a decade in advance or more if  
23 they're able to be viable. Any change to current leasing  
24 rules which will result in longer permitting processes will  
25 all but sanction the eradication of an entire industry,

1 resulting in the ultimate demise of our national security and  
2 well-being, the loss of hundreds of thousands of jobs, and an  
3 exponential increase in the cost of being American.

4           The coal miner helps build a prosperous nation for  
5 rest of the generations and helps feeds the nation with  
6 enhanced environmental restoration.

7           Thank you very much for your time.

8           (Applause.)

9           MICROPHONE NUMBER TWO: Hello. My name is Brian  
10 Wenig, and I also work for the un-intentioned nonprofit Cloud  
11 Peak Energy. I own a small business in Gillette also and some  
12 other property. So I am intrinsically tied to the community.

13           All of my three children graduated or were born in  
14 Wyoming and graduated from Gillette High School. I also have  
15 four grandchildren in Gillette.

16           I have been in surface coal mining in Wyoming for  
17 over 35 years and presently am the interim manager of Cordero  
18 Rojo Mine. On the face of it, it seems a bit silly to be  
19 discussing potential increases to the cost to mine coal at a  
20 time when coal companies are dropping like flies. It is  
21 obviously the intent of groups such as wildlife authorities  
22 and the Sierra Club to make coal mining prohibitively  
23 expensive so they keep it in the ground.

24           With natural gas prices at seemingly historic lows,  
25 this strategy could work for a while, but these are

1     unsustainable natural gas prices. And here you might want to  
2     take out your notebook.

3             I would predict that within one year from now that  
4     natural gas prices will be approximately twice the price it is  
5     today, and take that to the bank. I intend to.

6             The BLM is tasked with obtaining fair market value  
7     for coal leases from companies willing to bid on leases. The  
8     leases that were let, it is obvious the estimates of fair  
9     market value are artificially high. So I tend to agree with  
10    my colleague Beth Goodnough that we should be talking more  
11    about lowering some of these.

12            None of this is about the value of coal. None of  
13    this is about the leasing process. All of this is about  
14    so-called climate change.

15            The EPA, Gina McCarthy has recently admitted that the  
16    war on coal is not about fighting for climate change but to  
17    show leadership and garner support for an international  
18    climate change agreement that was reached in Paris. It is  
19    obvious that the rest of the world is not paying any attention  
20    to this leadership as hundreds of power plants, coal-fired  
21    power plants are either under construction or in the planning  
22    process throughout the world.

23            With experts projecting worldwide electricity demands  
24    to double by 2040, coal is projected to go from supplying  
25    40 percent of the fuel for this demand down to 28 percent.

1 Yet there's still an increase in coal usage worldwide from  
2 roughly 8 billion tons to 11 billion tons.

3 So just for a moment, let's pretend, though, that  
4 global climate change is truly real and it's the most pressing  
5 issue in the world as the President has stated. Then we are  
6 faced with two clear choices. Either we figure out how to  
7 burn coal in an environmentally responsible manner, or we get  
8 rid of about five billion people. I honestly don't think we  
9 want to go there.

10 Thank you.

11 (Applause.)

12 MICROPHONE NUMBER TWO: Before I start, I want to say  
13 that, as someone who will have spent over 12 hours today away  
14 from my family and my job, I appreciate you listening to  
15 everyone that came today.

16 My name is Michelle Butler, and I'm here to ask that,  
17 when you leave here today, you take away two things.

18 First, that this programmatic environmental impact  
19 statement only demonstrates the administration's desire to  
20 keep coal in the ground. It's bad for our economy. It's bad  
21 for jobs, and it's bad for millions of Americans who struggle  
22 to pay their power bill every month.

23 Second, finish this PEIS in a timely manner, and if  
24 anything, only simplify the leasing process and let us go back  
25 to work providing affordable, reliable electricity for

1 millions of families across the country.

2 I'm a second-generation coal miner. My dad worked  
3 for 25 years in the Powder River Basin, providing his family a  
4 stable income and numerous opportunities. He met my mom, the  
5 first female millwright in the PRB, and they made northeast  
6 Wyoming their home.

7 Now I am lucky enough to have had the opportunity to  
8 return to the place I grew up and start family of my own,  
9 thanks to the coal industry. My two daughters will grow up  
10 knowing what energy powers the country. That's if you listen  
11 to us here today and let us get back to work and leave the  
12 federal coal program alone.

13 (Applause.)

14 MICROPHONE NUMBER TWO: Good afternoon, my name is  
15 Kelli Cady, and I work for Cloud Peak Energy.

16 I'm here to tell you today that the America taxpayer  
17 is receiving a fair return for federal coal. I encourage you  
18 to simplify the leasing process and do not increase taxes. If  
19 you leave the royalty rate alone, great jobs will still remain  
20 for thousands of people across the country just like me.

21 I started working in the coal industry in 2015, and  
22 it has changed my life completely. As a full-time single  
23 mother to my two-and-a-half year old son, I now have the  
24 ability to provide for a stable home, healthcare coverage, and  
25 a mom who works hard in the industry that gives back to its

1 communities.

2           Although I, like many, would rather have had the  
3 scoping meeting in Campbell County, I understand the  
4 importance of being heard, which is why I devoted my day to  
5 travel here while missing out on picking up my child from  
6 school.

7           My son is in a state-of-the-art preschool center in  
8 Gillette all because of the taxes and royalties coal companies  
9 pay to mine federal coal, and it does not stop there.

10           These communities -- excuse me -- these companies go  
11 above and beyond to give back to their communities with  
12 countless contributions to nonprofits and thousands of hours  
13 of volunteer time.

14           This industry allows single mothers like myself to  
15 provide an optimistic and hopeful life for my son. Please  
16 don't take that away from us. Leave the federal coal program  
17 alone. The American taxpayers are getting more than a fair  
18 return on federal. Let's leave it that way. Thank you.

19           (Applause.)

20           MICROPHONE NUMBER TWO: Hi. My name is Judy Jinat.  
21 I am from the Wild Earth First Guardians Club -- no, that's  
22 not what I am.

23           I'm a native of Campbell County, Wyoming, a life-long  
24 resident, four generations. I'm a wife and mother and a  
25 grandmother. I live on a small ranch that was homesteaded by

1 my great-grandparents. My children and their families are my  
2 neighbors. This is our home, and we've seen a lot of changes  
3 here.

4 17 years ago, I was blessed to land a coveted job at  
5 Cordero Rojo Coal Mine and have been a proud coal miner ever  
6 since. It was one of the best things that happened to me. It  
7 was an opportunity that I never thought I would get to enjoy.

8 Mining was also one of the best things that has  
9 happened to Wyoming. It created a lot of higher-paying jobs  
10 and generated huge amounts of money to the city of Gillette,  
11 to Campbell County, the State of Wyoming, and the U.S. as a  
12 whole.

13 Quite a bit of money that people make at the mines of  
14 Campbell County support other communities as well. People  
15 support their families in other states with Campbell County  
16 coal mining because there are no job opportunities like these  
17 where they come from. Some of those people have already lost  
18 their jobs, and there's likely more to come.

19 This industry has bent over backwards to be good  
20 stewards of the land and generous partners to the communities  
21 they operate in. Now we're seeing this all change. Why?  
22 Because of theories that can't be proven, not to mention  
23 over-taxing and overregulating.

24 Every time the EPA or the BLM throws something new at  
25 the industry, they comply, and then the government ups the

1     ante. There does not seem to be anything mining can do right  
2     as long as the government's goal is to put them out of  
3     business and drive up the cost of electricity.

4             We have done an excellent job of providing coal to  
5     reduce the cost of reliable electricity that we all need. I  
6     don't know of any other source at this time.

7             Why would you want to eliminate something that works  
8     so well when you don't have anything better than or equal to  
9     replace it with? Maybe it will happen some day, but that day  
10    is not here yet.

11            I have a feeling that natural gas companies will have  
12    the same target on their back as soon as the coal is no longer  
13    a viable source. We have been seeing the effect of government  
14    overreach throughout our communities, and we've barely  
15    started. I don't think there's anyone in Campbell County that  
16    isn't feeling this as well as neighboring towns and states.

17            My husband's employer is looking at cutting hours,  
18    and they're not even directly mining-related. My son-in-law  
19    supports my grandchildren on the income he makes at the coal  
20    mine, and my son has seen changes in his job as well. Where  
21    do we go from here?

22            There can't be enough money thrown at it to make it  
23    better. The only thing that can help is to pull back your  
24    attack on coal, allow yourself to see what it is we do  
25    exactly, and let us do what we do best.



1           It shouldn't be the government's function to hurt  
2 families and entire communities instead of working together to  
3 make them stronger.

4           Where will I go from here if I lose my job? There  
5 isn't anything else comparable out there. What about all the  
6 people that have house payments and families they are proudly  
7 working to support instead of standing around with their hands  
8 out waiting for someone else to take care of them?

9           Please let them keep their jobs. Let these coal  
10 companies continue to be an essential provider of our nation's  
11 electricity.

12           And as for the political rhetoric of the war on  
13 women, this industry here does -- they do believe in equal pay  
14 for equal work, and this is a move to eliminate that  
15 opportunity. Now that's a war on women.

16           Thank you.

17           (Applause.)

18           LINDA LANCE: Could we just take a minute and see how  
19 we're doing here. Is this everybody who was signed up to  
20 speak and has spoken? Are you all down here.

21           DAVID BATTS: I believe the blue seats here. Anybody  
22 else that wants to speak up in the crowd?

23           We have about nine people.

24           LINDA LANCE: So I have to leave at 4:30 on the dot.  
25 I think maybe you guys, if it's a few more minutes, you could

1 sit. I apologize in advance if I have to walk out in the  
2 middle of somebody's remarks, and thank you all again for  
3 being here.

4 DAVID BATTS: What I'd like to do is just grab two of  
5 the folks in the blue seats that are next in line and go ahead  
6 and seat them. The rest of you come on down and get queued up  
7 at microphone number two.

8 MICROPHONE NUMBER ONE: My name is Jim Long, and I  
9 work for Cloud Peak Energy. My great-grandmother, a widow  
10 brought her four young children Wyoming to homestead. My  
11 daughter is here is a fifth-generation Wyoming citizen. My  
12 family has historically worked in agriculture.

13 Farming and ranching in Wyoming require many  
14 thousands of acres. As a young man, it was obvious to me that  
15 the ranch would not support all the members of my family. I  
16 worked in the -- so I went to mining, and I worked in coal  
17 mines for 26 years.

18 Mineral extraction is what supports the Wyoming  
19 economy. Additional taxes will probably put the final nail in  
20 the coffin of an already struggling industry. I have two  
21 children attending the University of Wyoming. Wyoming has  
22 paid for some of the best schools and state highways with  
23 mineral extraction.

24 The United States become the greatest economy in the  
25 world with the help of abundant affordable energy. Coal is

1 already one of the most highly taxed commodities in the world.

2 Please focus on the facts and numbers and not the opinions.

3 My family and I represent the working class of middle  
4 America, and we do not want any more taxes. We want to keep  
5 our jobs. Please don't destroy Wyoming's economy and my  
6 children's future by using taxes as a weapon to satisfy  
7 political agendas. Thanks.

8 (Applause.)

9 MICROPHONE NUMBER ONE: Okay. I'm nervous every  
10 time. Thank you for staying, though. My name is Briana Long,  
11 and I am a student at the University of Wyoming studying  
12 chemical engineering. I came here today to share how coal  
13 affects me as a college student.

14 I just completed by third year of college and have  
15 been able to fund my tuition and living expenses nearly  
16 independently, and I have been able to do this through  
17 scholarships and working.

18 I have worked over the summers and during five-week  
19 Christmas breaks at Cloud Peak Energy every year since  
20 graduating from high school. Through these working  
21 opportunities, both me and my brother have been able to go to  
22 school without also needing to work during the school  
23 semesters.

24 Cloud Peak Energy was a great place to work for me  
25 and my brother, and we made \$16 an hour allowing us to save

1 money for school while gaining great experience. They  
2 provided this opportunity to college students last year even  
3 while losing over \$200 million.

4 Cloud Peak was unable to hire us this semester,  
5 forcing me to look for work outside of Wyoming and to find a  
6 job while I'm at school next fall.

7 Finding a job in Laramie, where I go to school, has  
8 also been increasingly difficult due to a \$35 million budget  
9 cut to my university in response to deepening state revenue  
10 shortfalls.

11 My brother went from earning \$16 an hour to now  
12 earning minimum wage in order to stay in Wyoming this summer.

13 Lastly, I would like to add that increasing taxes on  
14 coal and therefore electricity will make electricity prices  
15 rise, creating a further burden on college students already  
16 struggling to make ends meet. Thank you.

17 (Applause.)

18 MICROPHONE NUMBER ONE: Thank you all for staying.  
19 Everybody up here hasn't gone, thank you guys for staying too.

20 My name is Jenny Nell. I'm director of the Salvation  
21 Army in Gillette. I'm here to speak on behalf of my  
22 organization and other human service nonprofits in Campbell  
23 County.

24 Every day I see firsthand the problems coal families  
25 are facing with the recent layoffs and energy industry

1 slowdown. Over the last ten years the coal miners and coal  
2 companies have been very generous to the Salvation Army and  
3 have donated nearly 30 percent of our annual operating budget.

4 This year is very different. Instead of giving to  
5 us, the coal families affected by the layoffs and slowdowns  
6 have had to come and ask for help, a very difficult thing when  
7 you're used to being independent.

8 Our donations are down 60 percent year to date, and  
9 our requests for assistance are up by over 100 percent. Now  
10 anybody who knows finances knows I'm in big trouble. Good  
11 news, we have good reserves because the coal companies have  
12 been so generous to us year over year, allowing us to keep  
13 these reserves for an emergency, and this is our emergency.

14 We don't get tornadoes, floods, firestorms. We don't  
15 get that in Gillette, but this is what we got. So this is how  
16 we are using our reserves as an organization to help these  
17 families.

18 The primary purpose of our service unit is to prevent  
19 people from becoming homeless as well as keeping their  
20 utilities on. This winter we had a record number of requests  
21 for both housing and utility assistance, and they're still  
22 coming in every day.

23 Typically, our organization provides assistance to  
24 nearly 950 families each year. Already in just the first six  
25 months of our fiscal year, we've served over 1,000 families,

1 and all of them qualified at or below the national poverty  
2 level. That's frightening if you think about it.

3 The whole community has been affected. Businesses  
4 and individuals are leaving the county and the state looking  
5 for a way to provide for their families. We have empty  
6 buildings on Main Street. Restaurants are deserted, and there  
7 are hundreds and hundreds of homes for sale wherever you look.

8 The trickle-down effect on nonprofits that support  
9 our families and provide much needed therapies and health  
10 services as well as food and shelter is leaving the citizens  
11 of our community in danger of being unsupported.

12 We can not afford any more taxes or royalties on  
13 coal, or we may not survive. Just last week, the Salvation  
14 Army unit in Laramie that had been open for 27 years had to  
15 close due to lack of resources. You think about that. A  
16 Salvation Army thrift store, you know, they're everywhere;  
17 right? And you say it's a stable member of each community,  
18 but they had to close.

19 So please finish up those leases so we can get some  
20 of these families back to work.

21 (Applause.)

22 MICROPHONE NUMBER ONE: Thank you. My name is  
23 Pat Sweeney. I'm a businessman and hospitality and tourism  
24 person here in Casper, having owned and sold recently the  
25 largest hotel and convention center in the state, employed at

1     that time, some 240 people.

2             On behalf of those 240 employees, I would deeply like  
3     to thank the coal industry because to think that coal is not a  
4     good neighbor is ridiculous. And I speak to you because  
5     you're not aware that this building houses the state's  
6     culminating high school events, which is tourism. But without  
7     the coal mines, a lot of those events wouldn't take place. We  
8     wouldn't have this facility. They are a great neighbors.

9             Somebody earlier, one of the environmental groups,  
10    stated that coal mines were bad for tourism because they're an  
11    eyesore. That's absolute nonsense. You hear time and time  
12    again with coal mines that are right along I-90, goes right  
13    through the middle of it, people love it, tourists. They can  
14    actually say when they're leaving Devil's Tower and heading to  
15    Yellowstone, "We saw a coal mine."

16            On the other hand, one of the subsidized industries  
17    wind turbines, which I'm not disputing down the line may be  
18    viable, but going to a funeral in Laramie driving across the  
19    Shirley Basin, I don't consider that a very good view-shed in  
20    comparison to an operating coal mine.

21            They've also said that -- the other side has said  
22    that we need to adapt, we need to transition fairly and  
23    justly. Transition to what?

24            I mean, we in Wyoming, the coal industry has built  
25    this nation. We have clean coal, clean energy.

1           This nonsense, we also produce a ton of the natural  
2   gas for the country. I support oil and natural gas, but our  
3   natural gas is being misdirected, misused, and the gentleman  
4   who earlier who spoke about the cost, I predict it will cost  
5   four times the money in the near future for natural gas. What  
6   happens to those electric power generation plants that  
7   transition to that.

8           I'll leave you with two thoughts. We'll swap you.  
9   If I had the power, we would swap you the Powder River Basin  
10  for control in Wyoming for the land in front of the Tetons  
11  that we're trying to sell to the federal government, and I  
12  would venture to say we would also give you a royalty instead  
13  of you giving us a bunch of grief.

14          Lastly, I would like to suggest and have suggested  
15  before that I think Wyoming should get together with the coal  
16  mines and should boycott shipping and we will pay the coal  
17  mines not to ship for a month, brownout the majority of the  
18  country until the shock and awe of that all comes down, and  
19  then we'll see where the regulations end up.

20          Thank you.

21          (Applause.)

22          DAVID BATTS: Thank you. Did anyone leave a red  
23  notebook down beneath one of these chairs? I don't know if  
24  one of the recent speakers left a red notebook.

25          MICROPHONE NUMBER ONE: My name is Rod Mathis. I'm



1 from Gillette. My kids were born in Wyoming. I have  
2 S&R Construction and (inaudible) Electric in Gillette and can  
3 attest to the effect of what's happened with our local coal  
4 miners. I have family that's laid off.

5 This goes, an example is we had -- I called my uncle  
6 in Spearfish, and he said that there was an open position for  
7 a city job at Spearfish, South Dakota -- about 3,400, 4,500  
8 people -- and there was approximately 400 people that applied  
9 for that job. So where are these people coming from?

10 There's people even from Spearfish that work in the  
11 mines over here as far as Newcastle. This is going to go a  
12 lot further than anybody thinks.

13 One of the -- sorry. I made way too many notes, too  
14 much time to think.

15 I believe we should have regulation to keep  
16 everything in order, but too much regulation is insane. And  
17 to subsidize, I'm an electrician by trade for the last  
18 30 years, and to see solar and wind trying to be the same as  
19 coal is an impossibility. It can't happen.

20 Their technology is not that advanced. I'd love to  
21 see things happen in that in the future, but to subsidize that  
22 at this point is ludicrous.

23 An example is putting corn liquor in your tank. The  
24 only way you got to get it in there is you mandate it. The  
25 market wouldn't take it. So you create a new industry, and

1     you subsidize in order to create it. It just doesn't work.

2     So then you have to keep subsidizing it until it either gets  
3     better or you die.

4             I'd just like to thank all the people out there that  
5     really need these jobs and then thank you to all the coal  
6     miners because, without the coal miners, you know, everything  
7     is wired, and we can't sell our American made products in  
8     Gillette because nobody's got the money to do it.

9             Thank you.

10            (Applause.)

11            LINDA LANCE: I'm sorry. I have to go.

12            DAVID BATTS: Move to microphone number two.

13            MICROPHONE NUMBER TWO: My name is Robert "LJ" Smith.  
14     I'm from Gillette Wyoming, representing the Boys and Girls  
15     Club of Campbell County. So I would like to shorten my speech  
16     and say thank you for allowing me to be here and setting this  
17     time to me.

18            Again, greetings. My name is LJ Smith, and I am  
19     honored to be here amongst these fine folks today as a  
20     champion of coal and all the men and women who help produce  
21     it.

22            I also am here today in representation of a  
23     particular group of citizens, a group of citizens that is  
24     often voiceless, a group that is under-represented in  
25     Washington politics, but a vital group that is necessary for

1 our future. As the executive director of the Boys and Girls  
2 Club of Campbell County, today I am here in representation of  
3 our youth, the youth which are also friends of coal.

4 Since my arrival in Gillette nearly 60 days ago, I  
5 have witnessed the devastation Washington's energy agenda has  
6 had on Wyoming families. I have seen families divided as  
7 fathers are displaced, as mothers struggle with two or three  
8 jobs. I witness the effect these have on our community as we  
9 shift and how that affects our children.

10 Our Wyoming youth have observed the attack on coal,  
11 the attack on their way of life. I have seen their  
12 frustration. I have heard their anger. Their grades and  
13 behavior are indicators of this. The absence of coal in our  
14 community is not only hurting our economy but our nation.

15 As a nonprofit CEO, I rely on the donations that I  
16 receive from coal and the industry that everything is about  
17 and everything about it. These donations help me to provide  
18 all the necessary aspects to the community that strengthen  
19 those components, and currently I'm struggling to do so.

20 Putting coal out of business is putting children's  
21 futures out of touch. So what do we do with this? Let us not  
22 regret tomorrow what we should have chosen to do today.

23 (Applause.)

24 DAVID BATTS: Thank you.

25 MICROPHONE NUMBER TWO: My name is Michelle Edwards.

1 I work for Cloud Peak Energy. I wasn't intending to speak  
2 today. So I don't have a glitzy speech ready. Rather, I'll  
3 speak from my heart.

4 I'm a West Coaster. I was born and raised in  
5 Washington state. I've only lived here for nine-and-a-half  
6 years. I grew up fishing the same creeks, rivers and Pacific  
7 Ocean that people before me spoke about.

8 My family's history is rooted deeply in energy  
9 production. In the early '70s, my grandpa built a coal-fired  
10 power plant in Centralia, Washington, and worked there until  
11 his retirement.

12 My dad, who was a millwright, frequently worked  
13 shutdowns at that power plant until he too retired. And I  
14 worked at the adjacent coal mines that fed the power plant and  
15 until the abrupt closure four days after Thanksgiving in 2006  
16 that put both myself and 700 fellow coal miners out of work.

17 Through a prior leap of faith, I decided to move  
18 myself and my family to Wyoming. I am not here to reminisce  
19 about the good old days, but rather to speak from firsthand  
20 experience. I have seen the firsthand devastation of  
21 communities that are affected by a single mine closure.

22 Today I have heard the words "transition" and  
23 "charting new paths." I wanted -- those are the same words  
24 that we heard spoken by government leaders in Washington state  
25 when the mine closed out there.

1           Although the unemployment rate has gone down in the  
2   counties that surround the mine that I used to work at, it's  
3   not a one-to-one ratio. I have many former coworkers and  
4   friends who have been and are continuing to work two or three  
5   jobs that pay \$10 to \$15 an hour with no benefits.

6           The educational system here in Wyoming is one many of  
7   us take for granted, but I'm still amazed at it, coming from  
8   Washington state. As a parent volunteer at my son's school in  
9   Washington, it was very common to walk through the halls  
10   avoiding buckets because the facilities were so aged.

11          I was an active member on both the bond and  
12   maintenance budget committees in Washington. Those failed  
13   multiple times, and because of that, bussing was severely cut,  
14   forcing small children including my eight-year old son to walk  
15   long distances just to the nearest bus stop.

16          School sports and activities were either eliminated  
17   or pay-to-play costs were so high that they were prohibitive  
18   to many families. My boys have been raised here for the last  
19   nine-and-a-half years. My oldest son is a teacher in Wyoming  
20   now. My youngest just graduated two days ago.

21          They've been blessed to receive an exceptional  
22   education and opportunity because of the revenue that the  
23   mineral industry provides here. I've heard comments today  
24   that coal companies only care about shareholders, but I beg to  
25   differ. I've seen firsthand in my work for a company that

1 provides support for multiple different agencies.

2 Thank you.

3 (Applause.)

4 MICROPHONE NUMBER TWO: Thank you all for staying so  
5 long. I appreciate it. My name is Paul Paad. I'm a resident  
6 here in Casper. For disclosure I'm also a candidate for our  
7 lone U.S. House seat.

8 As a former business owner, I felt firsthand the  
9 brunt of the regulations that can come out of Washington, that  
10 they don't seem to see the faces of the people that are really  
11 affected sometimes.

12 I want to talk about this coal moratorium or this  
13 coal leasing moratorium. The Department of Interior said off  
14 the bat, one of the things it said is it wanted to take into  
15 account both market prices and social costs of the coal, which  
16 basically means the climate change and public health issue of  
17 it.

18 I have to question whether or not the market prices  
19 are a force that they're really interested in or not when you  
20 look at coal prices being down 50 percent of what they were  
21 five years ago or a third of what it was when this  
22 administration took office. I don't find this to be a  
23 legitimate reason to this overhaul of this leasing system.

24 Just to hit a couple of points here. In 2014 Wyoming  
25 received more than \$555 million from coal. That funded a lot

1 of things around here including our education system. In  
2 fact, without that, our public schools would stand to lose  
3 quite a bit of money.

4 A couple issues -- I don't want to argue the climate  
5 change point too much, but Professor Pielke out of Colorado  
6 said that the EPA climate rates won't influence the future of  
7 extreme weather or its impact in any detectable way, and the  
8 so-called climate benefits and regulations are essentially,  
9 you know...

10 Go on to former Obama administration secretary --  
11 Assistant Secretary Charles McConnell said that at best a  
12 clean power plant will reduce the global temperature by one  
13 one-hundredth of a degree. Now at the same time, prices are  
14 going to go up. Now, this is going to affect our lowest of  
15 income people the most. Now, is this really just a  
16 pain-and-gain type of situation for political purposes?

17 You know, states that rely on coal as their primary  
18 source of electricity enjoy the lowest cost of electricity in  
19 the nation. And states primarily with coal-based power and  
20 industrial electricity prices can be two to three times lower  
21 than prices in competing countries. This is something you  
22 need to take into consideration when looking at the overall  
23 economic situation in our country.

24 The study by his Energy found that the current base  
25 load generation mix anchored by coal saves ratepayers roughly

1     \$93 billion in annual electric bills while also reducing  
2     utility volatility by 30 percent. That's what we need to look  
3     at, volatility. We don't need this jumping up and down or  
4     around.

5             Real quick, talking about the royalties being paid,  
6     12-and-a-half percent royalty paid on coal, on coal leased on  
7     federal lands are approximately 40 percent higher than rates  
8     paid by coal mined on private land in the Midwest and in the  
9     Appalachians. You know, companies also paid an additional fee  
10    on coal under these leases. Recent investigations by the  
11    Government Accountability Office and by the Department of the  
12    Interior and Inspector General found no reason to overhaul the  
13    program.

14            How could we be looking at overhauling it when the  
15    Department of Interior, when their own Inspector General found  
16    no reason to?

17            So in closing, I'd ask and make a direct plea to  
18    Secretary Jewell to remove this uncertainty from the coal  
19    industry and help put our working men and women back to work  
20    in this industry. Thank you.

21            (Applause.)

22            KATIE PATTERSON: Thank you, everyone for your time  
23    and input today. We'll give the floor back to Mary Jo  
24    Rugwell, who wants to give some closing remarks.

25            MARY JO RUGWELL: You guys deserve a badge of honor



1 for being here this whole time. We do appreciate you coming.  
2 We really wanted to hear what everybody had to say. I know  
3 this felt a little bit like the listening session again, but  
4 it was listening to get more information than we had in the  
5 listening session.

6 So I really do appreciate the fact that folks came  
7 early, stayed late, you know, took a day off from their jobs,  
8 you know, had to have somebody else pick up their children.  
9 That says to me how much this means to you, and I can assure  
10 you that we did hear you, and we appreciate the fact that you  
11 came today.

12 And I am a native of Wyoming. I work in Cheyenne,  
13 and if you ever want to talk to me, just stop by and talk.  
14 We're always happy to listen. We're happy. Collaboration is  
15 what we do in Wyoming, and this is not -- this will not be  
16 your only opportunity to talk to us and for us to listen.

17 So thank you so much for coming today. I really  
18 appreciate it.

19 (Applause.)

20 (Proceedings concluded at 4:40 p.m.,

21 May 17, 2016.)  
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23  
24  
25

1 STATE OF WYOMING )

2 ) ss. REPORTER'S CERTIFICATE

3 COUNTY OF NATRONA )

4  
5 I, Susan Edwards, do hereby certify that I am a  
6 Registered Professional Reporter, Certified Shorthand  
7 Reporter, and Notary Public within the State of Wyoming;

8 I further certify that the foregoing proceedings were  
9 taken in shorthand by me at the time and place herein set  
10 forth, that it was thereafter reduced to typewritten form, and  
11 that the foregoing constitutes a true and correct transcript.

12 I further certify that I am not related to, employed  
13 by, nor of counsel for any of the parties herein, nor  
14 otherwise interested in the result of the within action.

15 In witness whereof, I have affixed my signature this  
16 26th day of May, 2016.

17  
18  
19 -----  
20 SUSAN EDWARDS  
21 Registered Professional Reporter  
22 Certified Shorthand Reporter  
23

24 My Commission Expires June 25, 2019.  
25